NOTICE CONVENING MEETING OF SECURED CREDITORS OF MAINI PRECISION PRODUCTS LIMITED PURSUANT TO ORDER DATED 24 OCTOBER, 2024 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

MEETING	
Day	Friday
Date	20 December 2024
Time	3:00 PM (IST)
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the Meeting shall be conducted through Video Conferencing **('VC')** or Other Audio-Visual Means **('OAVM')**
Cut-off date for e-Voting	Monday, 30 September 2024
Remote e-Voting start date and time	Monday, 16 December 2024 at 9:00 AM (IST)
Remote e-Voting end date and time	Thursday, 19 December 2024 at 5:00 PM (IST)

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

The Notice of the Meeting, Statement under Sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the CAA Rules and Annexure I to Annexure XVI (page nos. 57 to 813) constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral part of this document.

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA) No. 152 /MB/2024

FORM NO. CAA. 2

[Pursuant to Section 230(3) of the Act and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN JK FILES & ENGINEERING LIMITED AND JKFEL TOOLS AND TECHNOLOGIES LIMITED AND RING PLUS AQUA LIMITED AND MAINI PRECISION PRODUCTS LIMITED AND RAY GLOBAL CONSUMER ENTERPRISE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

Maini Precision Products Limited,	}
a company incorporated under the provisions of the	}
Indian Companies Act, 1956 having its registered	}
Office at c/o Raymond Ltd, Jekegram, Pokharan	}
Road No 1, Jekegram, Thane,	}
Maharashtra, India, 400606	}
CIN: U27201MH1973PLC428717	} **... Fourth Applicant Company/ Transferor Company 2**

NOTICE CONVENING MEETING OF SECURED CREDITORS

To,

All the Secured Creditors of **Maini Precision Products Limited** (the "Company")

1. NOTICE is hereby given that, in accordance with the Order dated 24 October 2024, in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench **('Tribunal') ('Tribunal Order')**, a Meeting of the Secured Creditors of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement between JK Files & Engineering Limited and JKFEL Tools And Technologies Limited and Ring Plus Aqua Limited and Maini Precision Products Limited and Ray Global Consumer Enterprise Limited and their respective shareholders **('Scheme')** on Friday, 20 December 2024 at 3:00 PM (IST).

2. Pursuant to the said Tribunal Order and as directed therein, the Meeting of the Secured Creditors of the Company **('Meeting')** will be held through Video Conferencing **('VC')** /Other Audio Visual Means **('OAVM')**, in compliance with the applicable provisions of the Companies Act, 2013 **('Act')**, General Circular No. 09/2024 dated 19 September 2024, issued by the Ministry of Corporate Affairs **('MCA Circular')** and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India **('SS-2')** to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act, as amended:

   "RESOLVED THAT *pursuant to the provisions of Sections 230 to 232 read with section 66 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Mumbai Bench and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Composite Scheme Of*

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

Arrangement between JK Files & Engineering Limited and JKFEL Tools And Technologies Limited and Ring Plus Aqua Limited and Maini Precision Products Limited and Ray Global Consumer Enterprise Limited and their respective shareholders, be and is hereby approved;

RESOLVED FURTHER THAT *the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the creditors and the creditors shall be deemed to have given their approval thereto expressly by authority under this Resolution."*

3. **TAKE FURTHER NOTICE** that the Secured Creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes: (a) by remote electronic voting during the period as stated below **('remote e-Voting')**; or (b) through e-Voting system available at the Meeting to be held virtually **('e-Voting at the Meeting')**:

REMOTE E-VOTING PERIOD	
Commencement of voting	Monday, 16 December 2024 at 9:00AM (IST)
End of voting	Thursday, 19 December 2024 at 5:00 PM (IST)

4. A Secured Creditor, whose name appears in the list of Secured Creditors of the Company as on the cut-off date, i.e., Monday, 30 September 2024, only shall be entitled to exercise his / her / its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not a Secured Creditor as on the cut-off date, should treat the Notice for information purpose only. The value and number of Secured Creditors shall be in accordance with the books / records maintained by the Company. Voting rights of a Secured Creditor shall be in proportion to the outstanding amount due by the Company as on the cut-off date.

5. A copy of the said Scheme, statement under Sections 230 to 232 read with Section 102 and

other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are annexed. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at www.mainiprecisionproducts.com and the website of National Securities Depository Limited viz. **('NSDL')** viz. www.evoting.nsdl.com, being the agency appointed by the Company to provide the e-Voting and other facilities for convening of the Meeting.

6. The Tribunal has appointed Mr. Ajay Kumar Srivastava (Mobile No. 7021757660), and failing him, Mr. SL Pokharna, President-Corporate Commercial, Raymond Group (Contact No. 02240367000) to be the Chairperson for the Meeting and Mr. Dinesh Deora (Membership No.: FCS NO 5683 / CP NO 4119)/ Mr. T. Kaushik, (Membership No. FCS NO 10607 / COP NO 16207), Partners of DM & Associates Company Secretaries LLP, Practicing Company Secretary (ICSI Firm Registration No.: L2017MH003500) to be the Scrutinizer for the Meeting.

7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

For Maini Precision Products Limited
Sd/-
Ajay Kumar Srivastava
Chairperson appointed by the Tribunal for the Meeting

Mumbai, 18 November 2024

Registered Office:
c/o Raymond Ltd, Jekegram,
Pokhran Road No 1, Jekegram, Thane,
Maharashtra, India, 400606
CIN: U27201MH1973PLC428717
Website: www.mainiprecisionproducts.com
E-mail: jkfiles.secretarial@raymond.com
Tel.: 022 61527000

Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench **('Tribunal')** vide its Order dated 24 October 2024 **('Tribunal Order')**, the Meeting of the Secured Creditors of the Company is being conducted through video conferencing **('VC')** / other audio-visual means **('OAVM')** facility to transact the business set out in the Notice convening this Meeting. The deemed venue for the Meeting shall be the registered office of the Company situated at c/o. Raymond Limited, Jekegram, Pokharan Road No. 1, Jekegram, Thane, Maharashtra, India, 400606.

2. The Statement pursuant to Sections 230 to 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 **('Act')** and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.

3. Pursuant to the directions of the Tribunal given under the Tribunal Order and Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ('**MCA**') for holding general meetings through e-voting vide General Circular Nos. 09/2024 dated 19 September 2024 read with General Circular Nos. 09/2023 dated 25 September 2023, General Circulars No. 11/2022 dated 28 December 2022, 2/2022 dated 5 May 2022, 19/2021 dated 8 December 2021, 20/2021 dated 23 June 2021, 39/2020 dated 31 December 2020, 33/2020 dated 28 September 2020, 22/2020 dated 15 June 2020, 14/2020 dated 8 April 2020 and 17/2020 dated 13 April 2020 (including any amendments and clarifications thereto), issued by the Ministry of Corporate Affairs (collectively the **'MCA Circulars'**) the Company is providing to the Secured Creditors the facility to exercise their right to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting **(hereinafter referred to as 'e-Voting')**. For this purpose, the Company has entered into an agreement with National Securities Depository Limited **('NSDL')** for facilitating voting through electronic means, as the authorized agency.

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

4. A Secured Creditor, whose name appears in the list of Secured Creditors of the Company as on the cut-off date, i.e., Monday, 30 September 2024, only shall be entitled to exercise his / her / its voting rights on the resolution proposed in the Notice and attend the Meeting. Please note that Secured Creditors can opt for only one mode of voting i.e., either by voting at the Meeting or remote e-Voting. If Secured Creditors opt for remote e-Voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Secured Creditor, such Secured Creditor is not permitted to change it subsequently or cast the vote again. Secured Creditors who have cast their vote by remote e-Voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again. A person who is not a Secured Creditor as on the cut-off date, should treat the Notice for information purpose only. The value and number of Secured Creditors shall be in accordance with the books / records maintained by the Company. Voting rights of a Secured Creditor shall be in proportion to the outstanding amount due by the Company as on the cut-off date.

5. Subject to receipt of requisite majority of votes in favour, i.e., majority in number representing three fourth in value (as per Sections 230 and 232 of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting.

6. The attendance of the Secured Creditors attending the Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. Since this Meeting is being held through VC/ OAVM, physical attendance of Secured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Secured Creditors will not be available for the Meeting, and hence the proxy form, attendance slip and route map are not annexed hereto. Body Corporates are entitled to appoint authorised representatives to attend the Meeting through VC/ OAVM and participate there at and cast their votes by electronic means. The voting by the said authorized representative(s) is permitted, provided that the authorization, duly signed,

is lodged with the Company, physically at its registered office or by electronic mode, at least 48 (Forty-Eight) hours before the Meeting.

8. As per directions of the Tribunal Order and in terms with the MCA circulars the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent only through electronic mail to those Secured Creditors whose e-mail addresses are registered with the Company.

9. The Secured Creditors may note that the aforesaid documents are also available on the website of the Company at www.mainiprecisionproducts.com and on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com, being the agency appointed by the Company to provide VC / OAVM and e-Voting facility for the Meeting.

   If so desired, Secured Creditors may obtain a physical copy of these documents free of charge from the registered office of the Company on any day (except Saturday, Sunday and public holiday) up to the date of the meetings. Alternatively, a written request for obtaining physical / soft copy of these documents may be made by writing an e-mail in this regard to the Company Secretary at jkfiles.secreterial@raymond.in along with details such as name, address, Permanent Account Number (PAN), mobile number and email address.

10. Mr. Dinesh Deora / Mr. T. Kaushik shall act as Scrutinizer to scrutinize the remote e-Voting process of Meeting in a fair and transparent manner.

11. The Scrutinizer will, after the conclusion of e-Voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-Voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson of the Meeting. The result of e-Voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company at www.mainiprecisionproducts.com and on the website of NSDL at www.evoting.nsdl.com. The result will also be displayed at the registered office of the Company.

12. Documents for inspection as referred to in the Notice will be available electronically for inspection (without any fee) by the Secured Creditors from the date of circulation of this Notice up to the date of Meeting. Secured Creditors seeking to inspect such documents can access the same on the website of the Company at www.mainiprecisionproducts.com.

13. Secured Creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through electronic means.

Remote E-Voting; Meeting through VC / OAVM; E-Voting at the Meeting

14. The facility of attending Meeting through VC/ OAVM is being provided by National Securities Depository Limited (NSDL). The facility of casting votes by a Secured Creditor using electronic means, i.e. (i) remote e-Voting and (ii) e-Voting at the Meeting, (hereinafter referred to as 'e-Voting') is also being provided by NSDL.

15. The remote e-Voting period will commence at 9:00 AM (IST) on Monday, 16 December 2024 and end at 5:00 PM (IST) on Thursday, 19 December 2024. The e-Voting module shall be disabled by NSDL for remote e-Voting thereafter. However, the same shall be enabled once again during the course of the Meeting. A Secured Creditor, whose name appears in the list of Secured Creditors of the Company as on the cut-off date, i.e., Monday 30 September 2024, only shall be entitled to exercise his / her / its voting rights on the resolution proposed in the Notice and attend the Meeting through electronic means. The voting rights of a Secured Creditor shall be in proportion to the principal amount due to them by the Company as on the cut-off date. A person who is not a Secured Creditor as on the cut-off date, should treat the Notice for information purpose only.

Once the vote on a resolution is cast by a Secured Creditor, the Secured Creditor shall not be allowed to change it subsequently.

Procedure for remote e-voting

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to the NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system.

Step 1: Access to NSDL e-voting system

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
   i. The User ID and Password for joining the Meeting through VC / OAVM and casting votes through e-voting are given in the e-mail communication.
   ii. The User ID and Password are sent to all the Secured Creditors whose email addresses are available with the Company.
   iii. Those Secured Creditors whose e-mail addresses are not available with the Company and as a result have not received the e-mail communication, may obtain the User ID and Password by writing to NSDL as given below.
   iv. An Secured Creditor who cannot retrieve or has not received the User ID and Password, may obtain the same by sending a request at jkfiles.secretarial@raymond.in. Such Secured Creditor is requested to provide his / her / its / name, address, PAN, mobile number and email address along with the request. The subject line of the request should clearly mention: "Login Id and Password for Secured Creditor for NCLT Convened Meeting- JK Files & Engineering Limited."

4. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
5. Now, you will have to click on "Login" button.
6. After you click on the "Login" button, home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system

1. After successful login at Step 1, you will be able to see the EVEN no. of the Company.
2. Click on "EVEN" of the Company (i.e. **132132**) to cast your vote.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
8. Body corporates (i.e. other than individuals, HUF, etc) can upload the Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.

Procedure for e-voting at the Meeting

The procedure for e-voting at the Meeting is same as the procedure outlined above for remote e-voting.

Procedure for attending the Meeting through VC / OAVM

1. Secured Creditors can attend the Meeting through VC / OAVM after following the steps for 'Access to NSDL e-voting system' as outlined above in the procedure for remote e-voting.
2. After successful login, Secured Creditors will be able to see the VC / OAVM link placed under 'Join meeting' menu against the Company's name. Secured Creditors are requested to click on the VC / OAVM link placed under 'Join meeting' menu.
3. Facility to join the Meeting through VC/OAVM, will open 30 minutes before the scheduled time of the commencement of the Meeting.
4. Secured Creditors are encouraged to join the Meeting through Laptops for better experience.
5. Secured Creditors will be required to allow the camera and use internet with good speed to avoid any disturbance during the Meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

mitigate any kind of aforesaid glitches.

General Guidelines

1. It is strongly recommended not to share User ID and Password with any other person and take utmost care to keep them confidential.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) available at www.evoting.nsdl.com or call on 022 4886 7000 or send a request to Mr. Sanjeev Yadav, Manager-NSDL at evoting@nsdl.com.
3. All grievances connected with the NSDL e-voting system may be addressed to Mr. Sanjeev Yadav, Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 or send an email to evoting@nsdl.com or call on 022 4886 7000.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

CA (CAA) No. 152/MB/2024

IN THE MATTER OF SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN JK FILES & ENGINEERING LIMITED AND JKFEL TOOLS AND TECHNOLOGIES LIMITED AND RING PLUS AQUA LIMITED AND MAINI PRECISION PRODUCTS LIMITED AND RAY GLOBAL CONSUMER ENTERPRISE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

Maini Precision Products Limited,	}
a company incorporated under the provisions of the	}
Indian Companies Act, 1956 having its registered	}
Office at c/o Raymond Ltd, Jekegram, Pokharan	}
Road No 1, Jekegram, Thane,	}
Maharashtra, India, 400606	}
CIN: U27201MH1973PLC428717	} **... Fourth Applicant Company/ Transferor Company 2**

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ('ACT') AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ('CAA RULES') TO THE NOTICE OF THE MEETING OF SECURED CREDITORS OF MAINI PRECISION PRODUCTS LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ('TRIBUNAL') DATED 24 OCTOBER 2024 ('TRIBUNAL ORDER')

I. MEETING FOR THE SCHEME

This is a statement accompanying the Notice convening the Meeting of Secured Creditors

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

of Maini Precision Products Limited **('Company')**, for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement the matter of Composite Scheme of Arrangement Between JK Files & Engineering Limited **('JFEL' or the 'Demerged Company 1')** and JKFEL Tools And Technologies Limited **('JKTTL' or the 'Resulting Company 1')** and Ring Plus Aqua Limited **('RPAL' or the 'Transferor Company 1')** and Maini Precision Products Limited **('MPPL' or 'Transferor Company 2')** and Ray Global Consumer Enterprise Limited **('RGCEL' or 'Resulting Company 2')** and their respective shareholders **('Scheme')**.

The Scheme inter-alia provides for

(i) Demerger of Engineering Business Undertaking of JFEL through itself and its related subsidiaries i.e., RPAL and JK Talabot Limited (JKTL), into JKTTL and the consequent issuance of New Equity Shares 1 (as defined hereinafter) by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 *(as defined hereinafter)* by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 *(as defined hereinafter)* and New CCPS 2 *(as defined hereinafter)* to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 *(as defined hereinafter)* by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 *(as defined hereinafter)* and New CCPS 4 *(as defined hereinafter)* to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3");

This Scheme also provides for various other matters consequential or otherwise integrally connected in relation to the aforesaid mentioned.

The salient features of the Scheme are given in Paragraph V of this Statement. The detailed terms of the arrangement may be referred to in the Scheme, annexed as **'Annexure I'**.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. DATE, TIME AND MODE OF MEETING

Pursuant to an order dated 24 October 2024, passed by the Hon'ble Tribunal in Company Application (CAA) No. 152/MB/2024, the Meeting of the Secured Creditors of the Company, will be held for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme through Video Conferencing ('VC')/

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

Other Audio Visual Means ('OAVM') on Friday, 20 December 2024 at 3:00 PM (IST). The Company is providing the facility to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting.

III. NEED FOR MERGER AND DEMERGER/ RATIONALE AND BENEFITS OF THE SCHEME/ SYNERGIES OF THE BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME/ COST BENEFIT ANALYSIS OF THE SCHEME

The business presently undertaken by MPPL comprises of the engineering business and aerospace business, both of which have different requirements and are operated independent of each other as separate business verticals. Each of these business verticals are significantly large and mature and have a distinct attractiveness to divergent set of investors, strategic partners and other stakeholders.

The engineering business carried on by JFEL along with its subsidiaries (RPAL and JKTL) has grown significantly over the last few decades. Backed with state-of-the-art manufacturing facilities with operations across multiple business segments and wide range of product offerings within precision products for market leaders across industries, acquisition of MPPL creates a strong opportunity of scale in the global precision manufacturing and assembly space and the aerospace business and is expected to unlock synergies for JFEL, RPAL, MPPL, JKTTL and RGCEL.

Acquisition of the business of MPPL has been undertaken as under:

(i) With the objective of acquiring the ongoing business operations carried on by MPPL and further for providing liquidity, immediate exit to few shareholders of MPPL and other commercial reasons, RPAL acquired 59.25% of the equity share capital of MPPL from the existing shareholders of MPPL.

(ii) Consolidate the engineering business of Raymond Group in a single entity i.e., JKTTL, a wholly owned subsidiary of Raymond Limited and segregate the aerospace business in a separate entity i.e., RGCEL, a wholly owned subsidiary of Raymond Limited, in order to achieve various benefits including inter alia, business synergies, market access, unified platform for growth, access to customer base and cost effectiveness.

To unlock the potential value of each business vertical, it is proposed through this Scheme, to: (i) completely demerge the Engineering Business Undertaking of JFEL into JKTTL; (ii) Reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date; (iii) amalgamate RPAL and MPPL into JKTTL; (iv) Reduction and cancellation of the existing paid up share capital of JKTTL as of immediately prior to the Effective Date; (v) demerge the Aerospace Business Undertaking from JKTTL into RGCEL; and (vi) Reduction and cancellation of the existing paid up share capital of RGCEL as of immediately prior to Effective Date.

The proposed restructuring results in the following benefits:

(i) The combined engineering business of Raymond Group and MPPL and the aerospace business of MPPL have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form or nature of risks, competition, challenges, opportunities and business methods. Hence, consolidation of engineering business and segregation of the aerospace business would enable focused managements to explore the potential business opportunities more effectively and efficiently.

(ii) Creation of a dedicated engineering business vertical and aerospace vertical will augment industry-leading revenue growth and profitability which will further provide diverse strategic options and flexibility arising from cost efficiencies and synergies such as diversified product portfolio, optimization of sales, general and administration costs and reduced business risk.

(iii) Each business will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each business

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business.

(iv) The composite scheme will unlock value of both businesses and result in shareholder value maximisation.

(v) Strengthened position in both the industries, in terms of the assets base/ revenues, product range, production volumes, integrated supply chain and market share of both the businesses.

(vi) The Companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Companies pooled in JKTTL and RGCEL, will lead to optimum use of infrastructure, rationalization of cost in both the areas of business and administrative overheads, thereby maximizing shareholder value of both the companies.

(vii) Greater efficiency in cash management by cost saving for all the Companies as they are capitalizing on each other's core competency and resources which are expected to create a more competitive business, both in scale and operations, cost savings and higher profitability levels for both the businesses.

(viii) Simplified group structure by eliminating multiple companies in similar business, leading to better administration and reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication, reduction in multiplicity of legal and regulatory compliances and rationalization of administration expenses.

IV. BACKGROUND OF THE COMPANIES:

A. Particulars of the Demerged Company 1 (JK Files & Engineering Limited)

(i) JK Files & Engineering Limited is a public company incorporated on 18

February 1997 under the Indian Companies Act, 1956. The registered office of the Demerged Company 1 is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai – 400001. The Demerged Company is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U27104MH1997PLC105955. Its Permanent Account Number with the Income-tax Department is AAACH9523J. The email address of the Demerged Company 1 is jkfiles.secreterial@raymond.in and the website is www.jkfilesandengineering.com. The Demerged Company 1 was incorporated under the name of Raymond Steel Limited. Subsequently, on 1 March 2001, the name of the Demerged Company 1 was changed to Hindustan Files Limited. Thereafter, on 5 October 2009, the name of the Demerged Company 1 was changed to JK Files (India) Limited. Thereafter, on 10 November 2021, the name of the Demerged Company 1 was changed to JK Files & Engineering Limited. There has been no change in the registered office address of the Demerged Company 1.

(ii) The main objects of the Demerged Company 1 are stated as under:

"1. To carry on the business of manufacture of, dealers in, exporters and importers of, all varieties of steel, special steel, silicon steel, mild steel and any other kind and grades of steel and to carry on and execute the work of steel engineers including manufacturing and dealing in steel billets, steel rods, steel ingots, steel sheets, steel wires and all kind of steel products whether forged, rolled or drawn and consequently to manufacture, sell and deal in all or any of the by-products which will be obtained in the process of manufacturing these steel products.

2. To carry on business as importers, exporters, producers, assemblers, manufacturers and dealers in all kind of hand tools including engineering tools and files, jigs, moulds fixtures, mechanical implements and devices for all industries, agriculture, domestic purposes.

2(a) To carry on the business of manufacturers, designers, assemblers, repairers, importers, exporters, buyers, sellers, indentors, suppliers and dealers in all types *of tools, with or without power, cordless, pneumatic tools for sheet metal processing, cutting, fastening, beveling and slot cleaning, lathes, planning machines, shaping machines, drilling machines, milling machines, boring machines, grinding machines, cutting machines, jigs, joiners, magnet tools, implements and tools of all kinds including cutting tools and agricultural tools; and all types of drills, rotary drills, saws, cutters, core drills, tapping, oscillating tools, demolition hammer, rotary, chisel, screw drivers, grinding tools, etc, and other engineering components, automotive components, engineering services and products like machining, forging, casting, iron-masters, iron-founders, iron works, steel makers, blast furnace proprietors, brass founders and iron founders used in any industry, or for defence, communication, aviation, transportation or domestic purposes."*

(iii) During the last five years, there has been no change in the main object clause of the Demerged Company 1.

(iv) The Demerged Company along with its subsidiaries deals in tools and hardware and auto component.

(v) The share capital of the Demerged Company as on 31 March 2024 was as follows:

Particulars	Amount in INR
Authorized Capital	
8,50,00,000 Equity Shares of INR 2 each	17,00,00,000
60,00,000 Non-Convertible Redeemable 0.01% Preference Shares of INR 100 each	60,00,00,000
Total	**77,00,00,000**
Issued Subscribed and Paid-up Capital	
5,24,43,948 Equity Shares of INR 2 each	10,48,87,896
50,00,000 Non-Convertible Redeemable 0.01% Preference Shares of INR 100 each	50,00,00,000
Total	**60,48,87,896**

(vi) The audited financial statements of the Demerged Company 1 for the year ended on 31 March 2023 are annexed as **'Annexure II'**.

(vii) The latest audited financial statements of the Demerged Company 1 for the year ended on 31 March 2024 are annexed as **'Annexure III'**.

(viii) The details of Promoters and Directors of the Demerged Company 1 as on 31 March 2024 along with their addresses are mentioned herein below:

Promoter / promoter group details		
Name	**Category**	**Address**
Raymond Limited	Promoter	Plot No 156/H No 2, Village Zadgaon, Ratnagiri - 415612, Maharashtra, India

Details of Directors		
Name	**Category**	**Address**
Balasubramanian Vishwanathan	Managing Director	E-601, Kalpataru Regency-2 Road No. 10 Kalyani Nagar, Pune City Yerwada, Pune 411006.
Gautam Hari Vijaypat Singhania	Director	J K House, 59A, Bhulabhai Desai Road, Opp. Breach Candy Hospital, Cumballa Hill, Mumbai – 400026.
Rashmi Brijgopal Mundada	Director	1804, Ornata, Dosti Imperia, G B Road, Opp R Mall Manpada, Thane, Thane, Maharashtra 400610
Vijay Nautamlal Bhatt	Director	2/1 Palacimo, Indranarayan Road Santacruz West, Mumbai - 400054
Ravikant Uppal	Director	B-20 First Floor, Vasant Vihar, New Delhi - 110057
Satish Sekhri	Director	R-6, Sacred Heart Town, Wanowrie, Pune, 411040

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

B. Particulars of the Resulting Company 1/ Transferee Company/ Demerged Company 2 (JKFEL Tools and Technologies Limited)

(i) JKFEL Tools and Technologies Limited is a public company incorporated on 22 January 2024 under the Companies Act, 2013. The registered office of the Resulting Company 1/ Transferee Company/ Demerged Company 2 is situated at c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606. The Resulting Company 1/ Transferee Company/ Demerged Company 2 is accordingly registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U25933MH2024PLC417852. Its Permanent Account Number with the Income-tax Department is AAGCJ3003R. The email address of the Resulting Company 1/ Transferee Company/ Demerged Company 2 is jkfiles.secretarial@raymond.in. From the date of incorporation, there has been no change in the Name or Registered Office of the Resulting Company 1/ Transferee Company/ Demerged Company 2. The equity shares of the Resulting Company 1/ Transferee Company/ Demerged Company 2 are not listed on any Stock Exchanges in India.

(ii) The main objects of the Resulting Company 1/ Transferee Company/ Demerged Company 2 are stated as under:

"1. To carry on the business of the manufacturers, producers, assemblers, designers, buyers, sellers, repairers, indentors, distributors, agents, dealers, importers and exporters of Precision tools of all types and descriptions, all kind of hand tools including engineering tools and files, components, parts, machine tools and hardware of all kinds, jigs, moulds fixtures, mechanical implements and devices for all industries, screws, nails, bolts and nuts, rivets and all other sophisticated tools, metals, machinery apparatus and accessories of all types.

2. To carry on business of iron founders, mechanical engineers, manufacturers of agricultural implements, tools and other machinery tool makers, brass-founders, metal workers, mill-wrights, machinists, iron and steel converters, metallurgists and electrical engineers.

3. To carry on the business of manufacture of, dealers in, exporters and importers of, all varieties of steel, special steel, silicon steel, mild steel and any other kind and grades of steel and to carry on and execute the work of steel engineers including manufacturing and dealing in steel billets, steel rods, steel ingots, steel sheets, steel wires and all kind of steel products whether forged, rolled or drawn and consequently to manufacture, sell and deal in all or any of the by-products which will be obtained in the process of manufacturing these steel products.

4. To carry on the business of manufacturers, designers, assemblers, repairers, importers, exporters, buyers, sellers, indentors, suppliers and dealers in all types of tools, with or without power, cordless, pneumatic tools for sheet metal processing, cutting, fastening, beveling and slot cleaning, lathes, planning machines, shaping machines, drilling machines, milling machines, boring machines, grinding machines, cutting machines, jigs, joiners, magnet tools, implements and tools of all kinds including cutting tools and agricultural tools; and all types of drills, rotary drills, saws, cutters, core drills, tapping, oscillating tools, demolition hammer, rotary, chisel, screw drivers, grinding tools, etc, and other engineering components, automotive components, engineering services and products like machining, forging, casting, iron-masters, iron-founders, iron works, steel makers, blast furnace proprietors, brass founders and iron founders used in any industry, or for defence, communication, aviation, transportation or domestic purposes.

5. To carry on the business of manufacturers, designers, assemblers, importers, exporters, buyers, sellers, indentors, suppliers, and dealers in all types of Integral Shaft ball and/or roller bearings and components in respect thereof, Cylindrical roller and taper roller bearings, plain bearings, needle roller bearings, textile bearings, thinwalled bearings, water pump bearings, Automobiles/Automotive bearings; aircraft bearings, for compressors; and all types of bearings used in .carrier vehicles and other self motivated transport vehicles and in all types of Plant & Machineries, Equipment's, Bicycles, Tricycles, Scooters, Autorickshaws and in the production of Industrial Chemicals, agricultural, earth moving, sugar and textile machineries and also in electronic, metallurgical, mechanical machine manufacturing units.

6. To carry on the business of manufacturing, designing, building, buying, selling, importing, exporting, repairing converting, altering, servicing, processing, installing, assembling, improving, rebuilding, reconditioning of heat treatment furnaces of all types like . salt bath furnaces, gas camurising furnaces, sealed quench furnaces, Induction heating equipment, tempering furnaces, normalising furnaces, welding equipment and components and accessories required for all furnaces.

7. To carry on the business of Heat treatment by way ·of consulting, designing, Improving, experimenting, processing of all kinds of metallic and non - metallic components and parts, particularly all kinds of steels Including alloy steels, tool steels; low carbon steels, medium carbon steel, high carbon steels by all heat treatment processes like gas carburising salt bath, sealed quench, shaker, hearth, Induction hardening etc.

8. To carry on the business of manufacturing, designing, buying, selling, Importing, exporting, machinery, grinding, balancing, fitment of all types of Flywheels required for diesel and petrol engines either for stationery or motive purpose used in cars, buses. trucks or other vehicles."

(iii) From the date of incorporation, there has been no change in the main object clause of the Resulting Company 1/ Transferee Company/ Demerged Company 2.

(iv) The Resulting Company 1/ Transferee Company/ Demerged Company 2 is incorporated to deal in tools, hardware and auto component business.

(v) The share capital of the Resulting Company 1/ Transferee Company/ Demerged Company 2 as on 31 March 2024 was as follows:

Particulars	Amount in INR
Authorised Capital	
10,000 Equity Shares of INR 10 each	1,00,000
Total	**1,00,000**
Issued Subscribed and Paid-up Capital	
10,000 Equity Shares of INR 10 each	1,00,000
Total	**1,00,000**

(vi) The audited financial statements of the Resulting Company 1/ Transferee Company/ Demerged Company 2 for the year ended on 31 March 2023 are annexed as **'Annexure IV'**.

(vii) The details of Promoters and Directors of the Resulting Company 1/ Transferee Company/ Demerged Company 2 as on 31 March 2024 along with their addresses are mentioned herein below:

Promoters/ promoter group details		
Name	**Category**	**Address**
Raymond Limited	Promoter	Plot No 156/H No 2, Village Zadgaon, Ratnagiri - 415612, Maharashtra, India

Details of Directors		
Name	**Category**	**Address**
Ashish Aggarwal	Director	F-'604, Tierra Building Lodha Splendora, Ghodbunder Road, Bhyandar Pada, Thane, 400615
Vijay Patil	Director	I-5, 2nd Flr, Jeevantara Chs, Ravi Indl Compd, Madanlal Dhingra Rd, Panchpakhadi, Thane West, Thane 400602
Jatin Khanna	Director	199, Block C, Phase 1, Vivek Vihar East, Jhilmil H.O., East, Delhi. East Delhi 110095

C. Particulars of the Transferor Company 1 (Ring Plus Aqua Limited)

i. Ring Plus Aqua Limited is a public company incorporated on 11 September 1986 under the Companies Act, 1956. The registered office of the Transferor Company 1 is situated at D-3,4, Sinnar Taluka Audyogik Vasahat Maryadit Village Musalgoan, Taluka Sinnar, Nasik – 422112, Maharashtra, India. The Transferor

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

Company 1 is registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U99999MH1986PLC040885. Its Permanent Account Number with the Income-tax Department is AABCR3220M. The email address of the Transferor Company 1 is info@ringplusqua.co.in and the website is www.ringplusaqua.com. During the last five years, the name was changed from Aqua Bearings Limited to Ring Plus Aqua Limited. There was no change in the Registered Office of the Transferor Company 1. The equity shares of the Transferor Company 1 are not listed on any Stock Exchanges in India.

ii. The main objects of the Transferor Company 1 are stated as under:

"1 To carry on the business of manufacturers, designers, assemblers, importers, exporters, buyers, sellers, Indentors, suppliers, and dealers in all types of Integral Shaft ball and/or roller bearings and components in respect thereof, Cylindrical roller and taper roller bearings, plain bearings, needle roller bearings, textile bearings, thinwalled bearings, water pump bearings, Automobiles/Automotive bearings; aircraft bearings, for compressors; and all types of bearings used in carrier vehicles and other self motivated transport vehicles and in all types of Plant & Machineries, Equipments, Bicycles, Tricles, Scooters, Autorickshaws and in the production of Industrial Chemicals, agricultural, earth moving, sugar and textile machineries and also in electronic metallurgical, mechanical machine manufacturing units.

2 (a) To carry on the business of manufacturing, designing, building, buying, selling, importing, exporting, repairing, converting, altering, servicing, processing, Installing, assembling, Improving, rebuilding, reconditioning of heat treatment furnaces of all types like salt bath furnaces, gas carnurising furnaces, sealed quench furnaces Induction heating equipment, tempering furnaces, normalising furnaces, welding equipment and components and accessories required for all furnaces.

2 (b) To carry on the business of Heat treatment by way of consulting, designing, Improving, experimenting, processing of all kinds of metallic and non – metallic components end parts particularly all kinds of steels including alloy steels, tool *steels, low carbon steels, medium carbon steel, high carbon steels by all heat treatment processes like gas carburising salt bath, sealed quench, shaker, hearth, induction hardening etc.*

3. To carry on the business of manufacturing, designing, buying, selling, importing, exporting, machinery, grinding, balancing, fitment of all types of Flywheels required for diesel and petrol engines either for stationery or motive purpose used in cars, buses, trucks or other vehicles."

iii. During the last five years, there has been no change in the main object clause of the Transferor Company 1.

iv. The Transferor Company 1 is engaged in the business of manufacturing and selling ring gears, flexplates, water pump bearings, machined components both for auto component and engineering products.

v. The share capital of the Transferor Company 1 as on 31 March 2024 was as follows:

Particulars	Amount in INR
Authorised Capital	
3,00,00,000 Equity Shares of INR 10 each	30,00,00,000
Total	**30,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
77,56,671 Equity Shares of INR 10 each	7,75,66,710
Total	**7,75,66,710**

vi. The audited financial statements of the Transferor Company 1 for the year ended on 31 March 2023 are annexed as **'Annexure V'**.

vii. The latest audited financial statements of the Transferor Company 1 for the year ended on 31 March 2024 are annexed as **'Annexure VI'**.

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

viii. The details of Promoters and Directors of the Transferor Company 1 as on 31 March 2024 along with their addresses are mentioned herein below:

Promoters/ promoter group details		
Name	**Category**	**Address**
JK Files & Engineering Limited	Promoter	New Hind House,Narottam Morarjee Marg, Ballard Estate, Mumbai 1., Mumbai, Maharashtra, India, 400001
J K Investors (Bombay) Limited	Promoter	New Hind House Narrottam Morarjee Marg Ballard Estate, Mumbai - 400001, Maharashtra, India

Details of Directors		
Name	**Category**	**Address**
Balasubramanian Vishwanathan	Director	E-601, Kalpataru Regency-2 Road No. 10 Kalyani Nagar, Pune City Yerwada, Pune 411006.
Parthiv Tanil Kilachand	Director	Kilachand House, 95, Nepean Sea Road, Malabar Hill, Mumbai 400006.
Bhuwan Kumar Chaturvedi	Director	4503, Phase IV, DLF City, Gurgaon, 122009.
Shiv Surinder Kumar	Director	Unit No. 4, 6, Aurangzeb Road, New Delhi – 110011.
Satish Chand Mathur	Director	Flat no. 804, 8th floor, Casa Grande CHS, CTS no.249, Senapati Bapat Rd, Opp. Pensinsula Park, Lower Parel, Mumbai 400013.
Ravikant Uppal	Director	B-20 First Floor, Vasant Vihar, New

		Delhi – 110057.
Rashmi Brijgopal Mundada	Director	1804, Ornata, Dosti Imperia, G B Road, Opp R Mall Manpada, Thane, Thane, Maharashtra 400610.

D. Particulars of the Transferor Company 2 (Maini Precision Products Limited)

i. Maini Precision Products Limited is a public company incorporated on 3 March 1987 under the Companies Act, 1956. The registered office of the Transferor Company 2 is situated at c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606. The Transferor Company 2 is registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U27201MH1973PLC428717. Its Permanent Account Number with the Income-tax Department is AABCM8269R. The email address of the Transferor Company 2 is gmk@mainimail.com and the website is www.mainiprecisionproducts.com. During the last five years, the Name of the Transferor Company 2 was changed from Maini Precision Products Private Limited to Maini Precision Products Limited. The registered office of the Transferor Company 2 was shifted from B-165, 3rd Cross, 1st Stage, Peenya Industrial Estate, NA, Bangalore, Karnataka, India, 560058 to c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606 on 30 May 2024. The equity shares of the Transferor Company 2 are not listed on any Stock Exchanges in India.

ii. The main objects of the Transferor Company 2 are stated as under:

"1. To carry on the business of the manufacturers, designers, buyers, sellers, distributors, agents, dealers, importers and exporters of Precision tools of all types and descriptions, components, parts, machine tools and hardware of all kinds.

2. To carry on business of manufacturers and dealers in screws, nails, bolts and nuts, rivets and all other sophisticated tools.

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

3. To carry on business of manufacturers, importers and exporters and dealers in metals, machinery apparatus and accessories of all types.

4. To carry on business of iron founders, mechanical engineers, manufacturers of agricultural implements, tools and other machinery tool makers, brass-founders, metal workers, mill-wrights, machinists, iron and steel converters, metallurgists and electrical engineers."

iii. During the last five years, there has been no change in the main object clause of the Transferor Company 2.

iv. The Transferor Company 2 is principally engaged in the business of manufacturing, as per customer specific drawings, and supplying, high precision mechanical components, assemblies, and sub-assemblies to the automotive, industrial, defence and aerospace sectors.

v. The share capital of the Transferor Company 2 as on 31 March 2024 was as follows:

Particulars	Amount in INR
Authorised Capital	
6,00,00,000 Equity Shares of INR 2 each	12,00,00,000
2,85,00,000 Compulsory Convertible Preference Shares of INR 10 each	28,50,00,000
Total	**40,50,00,000**
Issued, Subscribed and Paid-up Share Capital	
52,438,440 Equity Shares of INR 2 each	10,48,76,880
Total	**10,48,76,880**

vi. The audited financial statements of the Transferor Company 2 for the year ended on 31 March 2023 are annexed as **'Annexure VII'**.

vii. The latest audited financial statements of the Transferor Company 2 for the year ended on 31 March 2024 are annexed as **'Annexure VIII'**.

viii. The details of Promoters and Directors of the Transferor Company 2 as on 31 March 2024 along with their addresses are mentioned herein below:

Promoters/ promoter group details		
Name	**Category**	**Address**
Ring Plus Aqua Limited	Promoter	D-3,4, Sinnar Taluka Audyogik Vasahat Maryadit Village Musalgoan, Taluka Sinnar, Nasik, Maharashtra, India, 422112
Gautam Maini	Promoter	Villa No 55 & 56, Vaswani Whispering Palms, Marathahalli, Bengaluru
Sandeep Kumar Maini	Promoter	Fl No.101, Lyndhurst Aprt. No.3, Walton Road, Bengaluru, Karnataka, 560001
Chetan Kumar Maini	Promoter	Epsilon Villa, I-9, Yemlur Village Main Road, Yemlur Bengaluru, Karnataka, 560037

Details of Directors		
Name	**Category**	**Address**
Gautam Maini	Managing Director	Villa No 55 & 56, Vaswani Whispering Palms, Marathahalli, Bengaluru
Sandeep Kumar Maini	Director	Fl No.101, Lyndhurst Aprt. No.3, Walton Road, Bengaluru, Karnataka, 560001
Rukmani Menon	Director	Flat No.005, Building No.8, Shanthi Park, 9th Block, Jaynagar, Bangalore, Karnataka, 560069

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

Dr. Keval Krishan Nohria	Director	11, Aryavartha, N D Road, Mumbai – 400026, Maharashtra.
Rahul Matthan	Director	22/1, Langford Gardens, Bangalore, Karnataka, India 560025
V Sridhar	Director	Flat No. 1052, Wind Mills of your Mind, No. 331 EPIP Zone Whitefield, Bengaluru – 560 048
Niten Lalpuria	Director	202, Shiv Niwas, Dixit Cross Road 1, Vile Parle (East), Mumbai 400 057

E. Particulars of the Resulting Company 2 (Ray Global Consumer Enterprise Limited)

i. Ray Global Consumer Enterprise Limited is a public company incorporated on 2 February 2021 under the Companies Act, 2013. The registered office of the Resulting Company 2 is situated at c/o Raymond Ltd, Pokharan Road No 1, Jekegram, Near Cadbury Junction, Thane, Maharashtra, India, 400606. The Resulting Company 2 is registered with the Registrar of Companies, Mumbai, having Corporate Identity Number (CIN) U52520MH2021PLC354360. Its Permanent Account Number with the Income-tax Department is AAKCR7680L. The email address of the Resulting Company 2 is secretarial@raymond.in. During the last five years, there has been no change in the Name or Registered Office of the Resulting Company 2. The equity shares of the Resulting Company 2 are not listed on any Stock Exchanges in India.

ii. The main objects of the Resulting Company 2 are stated as under:

"1 To carry on the business, in India or abroad, of trader, dealer import and export agents, representatives, contractors, buying and selling agents, brokers, importers, buyers, sellers, exporters and to buy, sell, or otherwise trade and deal in all kinds of consumer products and accessories thereof, cosmetics, hair care products, body care products, shaving products, beauty and skin care products,

perfumes, deodorants, essential oils, soaps, shampoos, bath products, toiletries, glamour products, dental care products, personal care products of all kinds, health care products, wellness products of all kinds, all kinds of health care drinks, non-prescribed drugs, cleaning products of all kinds, fabric care products of all kinds, household consumer products of all kinds, household durables of all kinds and accessories thereof.

2 To carry on the business of designing, engineering, manufacturing, producing, assembling, fabricating, altering, repairing, marketing, buying, selling, trading acquiring, representing manufacturers, storing, packing, transporting, forwarding, distributing, importing, exporting and disposing of:

i. product, components, sub-assemblies and assemblies;

ii. design, manufacture and commissioning of automation solutions as well as machine building;

iii. design, manufacture and commissioning of tooling, jigs, fixtures, moulds, press tools, die sets, precision tools of all types and descriptions, components, parts, machine tools and hardware of all kinds;

iv services related to process & product design, engineering design, CNC programming, CAD & CAM, testing inspection, calibration, non-destructive testing, supply chain, vendor management, quality management system, productive maintenance, plant layout & infrastructure planning, machine maintenance, machine servicing, spares management, aircraft maintenance repair and overhaul, ground handling-

catering to a wide variety of industry applications including but not limited to aerospace, solar, power, alternative energy, automotive, engineering, medical devices, oil & gas, electrical for both civilian as well as defense use.

3. To carry on business of product engineering services, solutions, research and development, related to aerospace & defense security, defense electronics systems, radar systems, radar technology / electronics, other embedded technologies, complete end-to-end system engineering, build-to-print and build-to-specification services for developing complex electronics systems, information security management system, manufacturing and production of related appliances, devices, circuit boards, assemblies, tools and accessories.

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

4. To carry on the business of manufacturers and dealers in screws, nails, bolts and nuts, rivets and all other sophisticated tools.

5. To carry on business of manufacturers, importers and exporters and dealers in metals, machinery apparatus and accessories of all types.

6. To carry on business of iron founders, mechanical engineers, manufacturers of agricultural implements, tools and other machinery tool makers, brass-founders, metal workers, mill-wrights, machinists, iron and steel converters, metallurgists and electrical engineers.

iii. During the last five years, there has been a change in the main object clause of the Resulting Company 2 and the updated main objects are mentioned above.

iv. The Resulting Company 2 is yet to commence business operations.

v. The share capital of the Resulting Company 2 as on 31 March 2024 was as follows:

Particulars	Amount in INR
Authorised Capital	
50,000 Equity Shares of INR 10 each	5,00,000
Total	**5,00,000**
Issued, Subscribed and Paid-up Share Capital	
50,000 Equity Shares of INR 10 each	5,00,000
Total	**5,00,000**

vi. The audited financial statements of the Resulting Company 2 for the year ended on 31 March 2023 are annexed as **'Annexure IX'**.

vii. The latest audited financial statements of the Resulting Company 2 for the year ended on 31 March 2024 are annexed as **'Annexure X'**.

viii. The details of Promoters and Directors of the Resulting Company 2 as on 31 March 2024 along with their addresses are mentioned herein below:

Promoters/ promoter group details		
Name	**Category**	**Address**
Ray Global Consumer Products Limited	Promoter	C/o Raymond Limited, Jekegram, Pokharan Road No. 1, Thane West-400606

Details of Directors		
Name	**Category**	**Address**
Vijay Patil	Director	I-5, 2nd Flr, Jeevantara Chs, Ravi Indl Compd, Madanlal Dhingra Rd, Panchpakhadi, Thane West, Thane 400602
Ashish Aggarwal	Director	F-'604, Tierra Building Lodha Splendora, Ghodbunder Road, Bhyandar Pada, Thane, 400615
Krishnan Ashwath Narayan	Director	Flat 302, Pranav Residency, Bhemani Street, Matunga (E), Mumbai

V. SALIENT FEATURES OF THE SCHEME

A. This Composite Scheme of Arrangement ("Scheme") is presented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and the rules and regulations issued thereunder. The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking *(as defined hereinafter)* of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL *(as defined hereinafter)*, into JKTTL and the consequent issuance of New Equity Shares 1 *(as defined hereinafter)* by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

Section 2(41A) and other relevant provisions of the IT Act *(as defined hereinafter)* ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 *(as defined hereinafter)* by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 *(as defined hereinafter)* and New CCPS 2 *(as defined hereinafter)* to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act *(as defined hereinafter)* ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking *(as defined hereinafter)* of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 *(as defined hereinafter)* by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 *(as defined hereinafter)* and New CCPS 4 *(as defined hereinafter)* to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section

2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act *(as defined hereinafter)* ("Demerger 2");and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3");

This Scheme also provides for various other matters consequential or otherwise integrally connected in relation to the aforesaid mentioned.

B. The 'Appointed Date' of the Scheme means 1 April 2024 or such other date as may be determined by the appropriate authority.

C. The Scheme, as may be approved or imposed or directed by the Tribunal shall become effective from the Appointed Date but shall be operative from the Effective Date

D. Consideration/ share exchange ratio for demerger of the Engineering business undertaking of the Demerged Company 1 into the Resulting Company 1:

Upon the Scheme becoming effective and upon vesting of the Engineering Business Undertaking of the Demerged Company 1 into the Resulting Company 1, the Resulting Company 1 shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company 1 whose name appears in the register of members or BENPOS statement of the Demerged Company 1 as on the Effective Date or to their respective heirs, executors, administrators, legal representatives or the successors in title, as the case may be as may be recognized by the Board of Directors of the Resulting Company 1, in the following proportion:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1")

E. <u>Consideration/ share exchange ratio for amalgamation of the Transferor Company into the Transferee Company:</u>

Upon this Scheme becoming effective and upon amalgamation of the Transferor Companies into the Transferee Company in terms of this Scheme (including pursuant to the sequence set out in Clause 51), the Transferee Company shall, without any application, act or deed, issue and allot equity shares and compulsorily convertible preference shares, credited as fully paid up, to the extent and in the manner indicated below, to the members of Transferor Companies (other than the Transferee Company and Transferor Company 1) holding fully paid-up equity shares of Transferor Companies and whose names appear in the register of members or the BENPOS statement of the Transferor Companies upon effectiveness and operationalization of the Demerger 1, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Companies/ Transferee Company in the following proportion:

<u>*On amalgamation of Transferor Company 1 into Transferee Company*</u>

"*Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up.*"

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

<u>*On amalgamation of Transferor Company 2 into Transferee Company*</u>

"*One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up.*"

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"*One Lakh and Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to all the shareholders of MPPL(other than RPAL and JKTTL) proportionately basis their shareholding in MPPL.*"

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

"One Lakh and Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL (other than RPAL and JKTTL) proportionately basis their shareholding in MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

F. <u>Consideration/ share exchange ratio for demerger of the Aerospace business undertaking of the Demerged Company 2 into the Resulting Company 2:</u>

Upon the Scheme becoming effective and upon vesting of the Aerospace Business Undertaking of the Demerged Company 2 into the Resulting Company 2 in accordance with this Scheme, the Resulting Company 2 shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company 2 whose name appears in the register of members or BENPOS Statement of the Demerged Company 2 immediately after effectiveness of Demerger 1 and Amalgamation, or to their respective heirs, executors, administrators, legal representatives or the successors in title, as the case may be as may be recognized by the Board of Directors of the Resulting Company 2, in the following proportion:

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity shares of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up.

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

G. <u>Dissolution of the Transferor Company 1 and Transferor Company 2</u>

On the coming into effect of the Scheme and upon transfer and vesting of assets and liabilities to the Transferee Company, the Transferor Company 1 and Transferor Company 2 shall stand dissolved, without being wound up.

VI. RELATIONSHIP SUBSISITING BETWEEN PARTIES TO THE SCHEME

The Demerged Company 1 holds 89.07% of the issued, subscribed and paid-up equity share capital of the Transferor Company 1. Transferor Company 1 holds 59.25% of the issued, subscribed and paid-up equity share capital of the Transferor Company 2. Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2 have the same Holding Company i.e., Raymond Limited.

VII. BOARD APPROVALS

A. The Board of Directors of the Demerged Company 1 at its Board Meeting held on 2

May 2024, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favor/against/did not participate or vote
Balasubramanian Vishwanathan	Favour
Gautam Hari Vijaypat Singhania	Absent
Rashmi Brijgopal Mundada	Favour
Vijay Nautamlal Bhatt	Favour
Ravikant Uppal	Favour
Satish Sekhri	Favour

B. The Board of Directors of the Resulting Company 1/Transferee Company/ Demerged Company 2 at its Board Meeting held on 2 May 2024, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Vote in favour/ against/ did not participate or vote
Ashish Aggarwal	Favour
Vijay Patil	Favour
Jatin Khanna	Favour

C. The Board of Directors of the Transferor Company 1 at its Board Meeting held on 2 May 2024, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Vote in favour/ against/ did not participate or vote
Balasubramanian Vishwanathan	Favour
Parthiv Tanil Kilachand	Favour
Bhuwan Kumar Chaturvedi	Favour
Shiv Surinder Kumar	Favour
Satish Chand Mathur	Favour
Ravikant Uppal	Favour
Rashmi Brijgopal Mundada	Favour

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

D. The Board of Directors of the Transferor Company 2 at its Board Meeting held on 1 May 2024**,** by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Vote in favour/ against/ did not participate or vote
Gautam Maini	Favour
Sandeep Kumar Maini	Favour
Rukmani Menon	Favour
Ravikant Uppal	Favour
Jatin Khanna	Favour
Krishnan Ashwat Narayan	Absent
Balasubramaniam Vishwanathan	Favour
Vijay Nautamlal Bhatt	Favour
Murugan Thirumal Rangan	Favour

E. The Board of Directors of the Resulting Company 2 at its Board Meeting held on 3 May 2024**,** by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Vote in favour/ against/ did not participate or vote
Vijay Patil	Favour
Ashish Aggarwal	Favour
Krishnan Ashwath Narayan	Favour

VIII. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs) AND THEIR RELATIVES

A. None of the Directors, KMPs of the Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their shareholding in the Company, if any, or to the extent the said KMPs/ Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and/ or beneficiary of the trust that holds shares in the Company, as applicable. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives have any material interest in the Scheme. The Company has not issued any debentures and hence, does not have Debenture Trustee.

B. None of the Directors, KMPs of the Demerged Company 1 and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their shareholding in the Demerged Company 1, if any, or to the extent the said KMPs/ Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and/ or beneficiary of the trust that holds shares in the Demerged Company 1, as applicable. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives have any material interest in the Scheme. The Demerged Company 1 has issued debentures (ISIN: INE027907018) amounting to Rs. 100 Crore to Axis Finance Limited and Axis Trustee Services Limited is the Debenture Trustee.

C. None of the Directors, KMPs of the Resulting Company 1/ Transferee Company/ Demerged Company 2 and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their shareholding in the Resulting Company 1/ Transferee Company/ Demerged Company 2, if any, or to the extent the said KMPs/ Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and/ or beneficiary of the trust that holds shares in the Resulting Company 1/ Transferee Company/ Demerged Company 2, as applicable. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives have any material interest in the Scheme. The Resulting Company 1/ Transferee Company/ Demerged Company 2 has not issued any debentures and hence, does not have Debenture Trustee.

D. None of the Directors, KMPs of the Transferor Company 1 and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their shareholding in the Transferor Company 1, if any, or to the extent the said KMPs/ Directors are the partners, directors, members of

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

the companies, firms, association of persons, body corporates and/ or beneficiary of the trust that holds shares in the Transferor Company 1, as applicable. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives have any material interest in the Scheme. The Company has issued debentures (ISIN: INE093H07019) amounting to Rs. 200 Crore to Axis Finance Limited and Axis Trustee Services Limited is the Debenture Trustee.

E. None of the Directors, KMPs of the Resulting Company 2 and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their shareholding in the Resulting Company 2, if any, or to the extent the said KMPs/ Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and/ or beneficiary of the trust that holds shares in the Resulting Company 2, as applicable. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives have any material interest in the Scheme. The Resulting Company 2 has not issued any debentures and hence, does not have Debenture Trustee.

IX. EFFECT OF THE SCHEME ON STAKEHOLDERS

The effect of the Scheme on various stakeholders is summarized below:

A. Shareholders (Promoter and Non-Promoter Shareholders)

The effect of the Scheme on the shareholders (promoter and non-promoter shareholders) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 and the Transferor Company 2 and Resulting Company 2 are annexed in the attached reports i.e., **'Annexure XI, Annexure XII**, **Annexure XIII**, **Annexure XIV and Annexure XV'**, respectively, adopted by the respective Board of Directors of the Demerged Company, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 at their meetings held on 2 May 2024, Transferor Company 2 at their meeting held on 1 May 2024 and Resulting Company 2 at their meeting held on 3 May 2024, pursuant to the provisions of Section 232(2)(c) of the Act.

B. <u>KMPs and Directors</u>

The Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2 is not expecting any change in the KMPs and Directors pursuant to the Scheme becoming effective. Pursuant to the Scheme, the Transferor Company 1 and Transferor Company 2 will be dissolved without winding up. Therefore, the existing KMPs and Directors of the Transferor Company 1 and Transferor Company 2 shall cease to be the KMPs and Directors of the Transferor Company 1 and Transferor Company 2 respectively.

KMPs and Directors of Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 and the Transferor Company 2 and Resulting Company 2 and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 and the Transferor Company 2 and Resulting Company 2 respectively (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 and the Transferor Company 2 and Resulting Company 2, respectively, as applicable.

C. <u>Employees</u>

Pursuant to the Scheme, all employees of the Company will become employees of the Resulting Company 1/ Transferee Company/ Demerged Company 2.

Under the Scheme, no rights of the staff and employees of the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and Resulting Company 2 are being affected. The services of the staff and employees of the Engineering Business Undertaking and

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

Aerospace Business Undertaking of the Demerged Companies and Transferor Companies and Resulting Companies shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme. Further, under the Scheme, there is no arrangement with the staff or employees of the Company. Therefore, under the Scheme, no rights of the staff and employees of the Company are being affected.

D. Creditors

Pursuant to the Scheme, all creditors (secured or Secured) of the Company will become creditors (secured or Secured) of the Resulting Company 1.

Under the Scheme, there is no arrangement with the creditors (secured or Secured) of the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and Resulting Company 2. No compromise is offered under the Scheme to any of the creditors of the companies. The liability of the creditors of the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and Resulting Company 2, under the Scheme, is neither being reduced nor being extinguished.

Accordingly, the creditors of the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and Resulting Company 2 would not be prejudiced in any manner as a result of the Scheme being sanctioned.

X. NO INVESTIGATION PROCEEDINGS

There are no proceedings pending under Sections 210 to 227 of the Act against the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and Resulting Company 2.

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

XI. AMOUNTS DUE TO SECURED CREDITORS

The amount due to Secured Creditors by the respective companies, as on 31 March 2024 is as follows:

Sr. No.	Particulars	Amount in INR lakhs
1.	JK Files & Engineering Limited	11,999.47
2.	JKFEL Tools and Technologies Limited	NIL
3.	Ring Plus Aqua Limited	21,631.75
4.	Maini Precision Products Limited	26,449.63
5.	Ray Global Consumer Enterprise Limited	NIL

XII. DETAILS OF SHARE CAPITAL/ DEBT RESTRUCTURING, IF ANY

A. Upon the Scheme becoming effective and upon vesting of the Engineering Business Undertaking of the Demerged Company 1 into the Resulting Company 1, the Resulting Company 1 shall issue 65,63,700 fully paid-up equity shares of INR 10 each to the equity shareholders of the Demerged Company 1.

B. Upon this Scheme becoming effective and upon amalgamation of the Transferor Company 1 into the Transferee Company in terms of this Scheme, the Transferee Company shall issue 5,14,800 fully paid-up equity share of INR 10 each to the equity shareholders of the Transferor Company 1 (other than itself) in proportion of their holding in the Transferor Company 1.

C. Upon this Scheme becoming effective and upon amalgamation of the Transferor Company 2 into the Transferee Company in terms of this Scheme, the Transferee Company shall issue 28,21,500 fully paid-up equity share of INR 10 each, 1,40,000 fully paid-up compulsorily convertible preference shares Series A of INR 100 each and 1,45,000 fully paid-up compulsorily convertible preference shares Series B of INR 100 each to the shareholders of the Transferor Company 2 (other than itself) in proportion

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

of their holding in the Transferor Company 2.

D. Upon the Scheme becoming effective and upon vesting of the Aerospace Business Undertaking of the Demerged Company 2 into the Resulting Company 2, the Resulting Company 1 shall issue 99,00,000 fully paid-up equity shares of INR 10 each, 1,40,000 fully paid-up compulsorily convertible preference shares Series A of INR 100 each and 1,45,000 fully paid-up compulsorily convertible preference shares Series B of INR 100 each to the equity shareholders of the Demerged Company 2.

E. On the Scheme becoming effective, the existing paid up redeemable preference share capital of Demerged Company 1 shall stand cancelled. Accordingly, the share capital of the Demerged Company shall stand reduced to the extent of the face value of redeemable preference shares.

F. On the Scheme becoming effective, the existing paid up share capital of Resulting Company 1/ Transferee Company/ Demerged Company 2 shall stand cancelled. Accordingly, the share capital of the Resulting Company 1/ Transferee Company/ Demerged Company 2 shall stand reduced to the extent of the face value of shares.

G. On the Scheme becoming effective, the existing paid up share capital of Resulting Company 2 shall stand cancelled. Accordingly, the share capital of the Resulting Company 2 shall stand reduced to the extent of the said shares.

H. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

XIII. VALUATION REPORT

Background

A. The Share Exchange Ratio for the Composite Scheme of Arrangement has been fixed on the basis of the Valuation Report dated 1 May 2024 issued by KPMG Valuation Services LLP, Registered Valuer. The valuation has been done in accordance with internationally accepted valuation standards.

B. For the purpose of valuation for the proposed demerger of the Engineering Business Undertaking from the Demerged Company 1 to the Resulting Company 1, merger of Transferor Company 1 and Transferor Company 2 into Transferee Company, the Equity Share Exchange Ratio as derived as under:

Particulars	Engineering Business Undertaking	RPAL	MPPL*
Equity Value - INR Million	10,853	7,750	12,000
No of Shares	5,24,43,948	77,56,671	5,24,38,440
Value per share – INR	206.9	999.1	228.8
Exchange Ratio (Rounded off)	20.7	99.9	22.9
Shares in JKTTL as per Share Swap Ratio	1,08,52,54,047	8,47,45,953	48,90,00,000

*Resulting Company 1 will also issue a mix of CCPS- Series A and CCPS- Series B to the eligible shareholders of MPPL.

Since the authorized capital is lower than the total number of shares to be issued, number of shares to be issued to the above shareholders has been reduced in proportion such that the total share capital of JKTTL remains as Ninety-nine lakh equity shares and the shareholding remains unchanged. Same is presented in the table below:

Particulars	No. of shares as per Share Swap Ratio	% Share	No. of Shares to be issued	% Share
Equity Shareholders - JKFEL	1,08,52,54,047	65.4%	65,63,700	65.4%
Equity Shareholders - RPAL	8,47,45,953	29.5%	28,21,500	29.5%
Equity Shareholders – MPPL*	48,90,00,000	5.1%	5,14,800	5.1%

*In addition to the above equity shares, Resulting Company 1 will also issue 140,000

CCPS - Series A and 145,000 CCPS - Series B to the eligible shareholders of MPPL such that the final shareholding of eligible shareholders of MPPL will remain same.

C. Pursuant to proposed demerger of Aero Business Undertaking from the Resulting Company 1/ Transferee Company/ Demerged Company 2 to the Resulting Company 2, the existing share capital of Resulting Company 2 shall be cancelled. Accordingly, all the shareholders of Resulting Company 1/ Transferee Company/ Demerged Company 2 would become shareholders of Resulting Company 2 and their shareholding would mirror in Resulting Company 2. The effect of the demerger is that each shareholder of Resulting Company 1/ Transferee Company/ Demerged Company 2 becomes the owner of shares in the Resulting Company 2 through the mechanism as explained in the Scheme. Accordingly, any entitlement ratio can be considered fair for the above demerger including the entitlement ratio proposed in this Report.

D. A copy of the Valuation report dated 1 May 2024 issued by KPMG Valuation Services LLP, Registered Valuers (IBBI Registration No. IBBI/RV-E/06/2020/115) recommending the Share Exchange Ratio (‘Valuation Report’) is annexed as **‘Annexure XVI’**.

XIV. SHAREHOLDING PATTERN

A. The pre/ post-scheme shareholding pattern of the parties to the Scheme:

(i) Demerged Company 1

The pre & post scheme shareholding pattern of the Demerged Company 1 is as follows:

Shareholding pattern – Equity Shares	Pre		Post	
Category	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	5,24,43,948	100.00	5,24,43,938	100.00

Public	-	-	-	-
TOTAL	**5,24,43,948**	**100.00**	**5,24,43,948**	**100.00**

Shareholding pattern – Preference Shares	**Pre**		**Post**	
Category	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**
Promoter	50,00,000	100.00	-	-
Public	-	-	-	-
TOTAL	**50,00,000**	**100.00**	**-**	**-**

(ii) Resulting Company 1/ Transferee Company/ Demerged Company 2

The pre & post scheme shareholding pattern of the Resulting Company 1/ Transferee Company/ Demerged Company 2 is as follows:

Shareholding pattern – Equity Shares	**Pre**		**Post**	
Category	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**
Promoter	10,000	100.00	9,900,000	100.00
Public	-	-	-	-
TOTAL	**10,000**	**100.00**	**9,900,000**	**100.00**

Shareholding pattern – Preference Shares	**Pre**		**Post**	
Category	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**
Promoter	-	-	52,85,000	100.00
Public	-	-	-	-
TOTAL	**-**	**-**	**52,85,000**	**100.00**

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

(iii) Transferor Company 1

The pre & post scheme shareholding pattern of the Transferor Company 1 is as follows:

Shareholding pattern-Equity Shares	Pre		Post	
Category	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**
Promoter	69,08,482	89.07	NA as merged entity	
Public	8,48,189	10.93		
TOTAL	**77,56,671**	**100.00**		

(iv) Transferor Company 2

The pre & post scheme shareholding pattern of the Transferor Company 2 is as follows:

Shareholding pattern – Equity Shares	Pre		Post	
Category	**No. of Shares**	**% of holding**	**No. of Shares**	**% of holding**
Promoter	5,24,38,440	100.00	NA as merged entity	
Public	-	-		
TOTAL	**5,24,38,440**	**100.00**		

(v) Resulting Company 2

The pre & post scheme shareholding pattern of the Resulting Company 2 is as follows:

Shareholding pattern – Equity Shares	Pre		Post	
Category	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	50,000	100.00	99,00,000	100.00
Public	-	-	-	-
TOTAL	**50,000**	**100.00**	**99,00,000**	**100.00**

Shareholding pattern – Preference Shares	Pre		Post	
Category	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	-	-	2,85,000	100.00
Public	-	-	-	-
TOTAL	**-**	**-**	**2,85,000**	**100.00**

B. Pre/ post Scheme capital structure of the parties to the Scheme

(i) Demerged Company 1

The pre-scheme capital structure of the Demerged Company 1 is given in Paragraph IV(A)(v) above. The post scheme indicative capital structure of the Demerged Company 1 will be as follows:

Particulars	Amount in INR
Authorised Capital	
8,50,00,000 Equity Shares of INR 2 each	17,00,00,000
60,00,000 Non-Convertible Redeemable 0.01% Preference Shares of INR 100 each	60,00,00,000
Total	**77,00,00,000**
Issued Subscribed and Paid-up Capital	
5,24,43,948 Equity Shares of INR 2 each	10,48,87,896
TOTAL	**10,48,87,896**

(ii) Resulting Company 1/ Transferee Company/ Demerged Company 2

The pre-scheme capital structure of the Resulting Company 1/ Transferee Company/ Demerged Company 2 is given in Paragraph IV(B)(iv) above. The post scheme indicative capital structure of the Resulting Company 1/ Transferee Company/ Demerged Company 2 will be as follows:

Particulars	Amount in INR
Authorised Capital	
4,85,63,700 Equity Shares of INR 10 each	48,56,37,000
78,50,000 Preference Shares of INR 100 each	78,50,00,000
Total	**1,27,06,37,000**
Issued Subscribed and Paid-up Capital	
99,00,000 Equity Shares of INR 10 each	9,90,00,000
2,85,000 Compulsory Convertible Preference Shares of INR 100 each	2,85,00,000
50,00,000 Non-Convertible Redeemable 0.01% Preference Shares of INR 100 each	50,00,00,000
Total	**62,75,00,000**

(iii) Transferor Company 1

The pre-scheme capital structure of the Transferor Company 1 is given in Paragraph IV(C)(v) above. Post-scheme capital structure of the Transferor Company is not applicable as the Transferor Company will be dissolved without winding up pursuant to the Scheme.

(iv) Transferor Company 2

The pre-scheme capital structure of the Transferor Company 2 is given in Paragraph IV(D)(v) above. Post-scheme capital structure of the Transferor Company is not applicable as the Transferor Company will be dissolved without winding up pursuant to the Scheme.

(v) Resulting Company 2

The pre-scheme capital structure of the Resulting Company 2 is given in Paragraph IV(E)(v) above. The post scheme indicative capital structure of the Resulting Company 2 will be as follows:

Particulars	Amount in INR
Authorised Capital	
10,470,000 Equity Shares of INR 10 each	10,47,00,000
2,85,000 Preference Shares of INR 100 each	2,85,00,000
Total	**13,32,00,000**
Issued Subscribed and Paid-up Capital	
99,00,000 Equity Shares of INR 10 each	9,90,00,000
2,85,000 Compulsory Convertible Preference Shares of INR 100 each	2,85,00,000
Total	**12,75,00,000**

I. APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME

A. A copy of the Scheme has been filed by the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and the Resulting Company 2 with the Registrar of Companies, Mumbai.

B. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order.

C. All approvals as stated in Clause 47 (Conditionality of the Scheme) of the Scheme, in order to give effect to the Scheme will be obtained. Additionally, the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and the Resulting Company 2 will obtain such approvals / sanctions / no objection(s) from the regulatory or other

Maini Precision Products Limited
Regd. Office: C/O. RAYMOND LIMITED, JEKEGRAM, POKHARAN ROAD, NO. 1, Jekegram, Thane, Thane, Maharashtra, **India**, 400606
CIN: U27201MH1973PLC428717
Phone: +91 80 4072 4000 / 2839 41 16, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.:www.mainiprecisionproducts.com

governmental authorities in respect of the Scheme in accordance with law, as may be required.

II. INSPECTION OF DOCUMENTS

In addition to the documents annexed hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Company at 31 March 2024:

A. Audited financial results of the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1, Transferor Company 2 and the Resulting Company 2 for the year ended 31 March 2023 and 31 March 2024;

B. Copy of the Tribunal Order;

C. Copy of the Composite Scheme of Arrangement;

D. Memorandum and Articles of Association of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 and the Transferor Company 2 and Resulting Company 2;

E. Valuation report issued by KPMG Valuation Services LLP, Registered Valuers;

F. Report of the Board of Directors of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, Transferor Company 1 and the Transferor Company 2 and Resulting Company 2 pursuant to Section 232(2)(c) of the Act;

G. All other documents referred to or mentioned in the Statement to this Notice.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Secured Creditors.

For Maini Precision Products Limited
Sd/-
Ajay Kumar Srivastava
Chairperson appointed by the Tribunal for the Meeting

Mumbai, 18 November 2024

Registered Office:
c/o Raymond Ltd, Jekegram,
Pokhran Road No 1, Jekegram, Thane,
Maharashtra, India, 400606
CIN: U27201MH1973PLC428717
Website: www.mainiprecisionproducts.com
E-mail: jkfiles.secretarial@raymond.com
Tel.: 022 61527000

COMPOSITE SCHEME OF ARRANGEMENT 001284

BETWEEN

JK FILES & ENGINEERING LIMITED
("JFEL" or the "DEMERGED COMPANY 1")

AND

JKFEL TOOLS AND TECHNOLOGIES LIMITED
("JKTTL" or the "RESULTING COMPANY 1" or the "TRANSFEREE COMPANY" or the "DEMERGED COMPANY 2")

AND

RING PLUS AQUA LIMITED
("RPAL" or the "TRANSFEROR COMPANY 1")

AND

MAINI PRECISION PRODUCTS LIMITED
("MPPL" or the "TRANSFEROR COMPANY 2")

AND

RAY GLOBAL CONSUMER ENTERPRISE LIMITED
("RGCEL" or the "RESULTING COMPANY 2")

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE SECTIONS AND PROVISIONS OF THE COMPANIES ACT, 2013 READ TOGETHER WITH THE RULES MADE THEREUNDER

(A) BACKGROUND

I. **JK FILES & ENGINEERING LIMITED ("JFEL" or the "Demerged Company 1")** bearing CIN - U27104MH1997PLC105955 is an unlisted public company incorporated on 18 February 1997 under Companies Act, 1956 and having its registered office at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai – 400001, Maharashtra. JFEL along with its subsidiaries deals in tools and hardware and auto component.

II. **JKFEL TOOLS AND TECHNOLOGIES LIMITED ("JKTTL" or the "Resulting Company 1" or the "Transferee Company" or the "Demerged Company 2")** bearing CIN - U25933MH2024PLC417852 is an unlisted public company incorporated on 22 January 2024 under Companies Act, 2013 and having its registered office at c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606. JKTTL is incorporated to deal in tools, hardware and auto component business.

III. **RING PLUS AQUA LIMITED ("RPAL" or the "Transferor Company 1")** bearing CIN - U99999MH1986PLC040885 is an unlisted public company incorporated on 11 September 1986 under Companies Act, 1956 and having its registered office at D-3,4, Sinnar Taluka Audyogik Vasahat Maryadit Village Musalgoan, Taluka Sinnar, Nasik – 422112, Maharashtra. RPAL is engaged in the business of manufacturing and selling Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto component and engineering products. JFEL is the holding company of RPAL holding 89.07% of the paid-up equity share capital.

IV. **MAINI PRECISION PRODUCTS LIMITED ("MPPL" or the "Transferor Company 2")** bearing CIN - U27201KA1973PLC002307 is an unlisted public company incorporated on 3 March 1973 under Companies Act, 1956 and having its registered office at c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606. MPPL is principally engaged in the business of manufacturing, as per customer specific drawings, and supplying, high precision mechanical components, assemblies, and sub-assemblies to the automotive, industrial, defence and aerospace sectors. RPAL holds 59.25% of the paid-up equity share capital of MPPL.

V. **RAY GLOBAL CONSUMER ENTERPRISE LIMITED ("RGCEL" or the "Resulting Company 2")** bearing CIN - U52520MH2021PLC354360 is an unlisted public company incorporated on 2 February 2021 under Companies Act, 2013 and having its registered office at C/o Raymond Limited, Pokharan Road No 1, Jekegram, Near Cadbury Junction, Thane, Maharashtra, India, 400606. RGCEL is yet to commence business operations. Raymond Limited holds 100% of the paid-up equity share capital of RGCEL.

(B) OVERVIEW OF THE SCHEME

This Composite Scheme of Arrangement ("Scheme") is presented under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and the rules and regulations issued thereunder. The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking *(as defined hereinafter)* of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL *(as defined hereinafter)*, into JKTTL and the consequent issuance of New Equity Shares 1 *(as defined hereinafter)* by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act *(as defined hereinafter)* ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 *(as defined hereinafter)* by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 *(as defined hereinafter)* and New CCPS 2 *(as defined hereinafter)* to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act *(as defined hereinafter)* ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking *(as defined hereinafter)* of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 *(as defined hereinafter)* by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 *(as defined hereinafter)* and New CCPS 4 *(as defined hereinafter)* to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act *(as defined hereinafter)* ("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3");

This Scheme also provides for various other matters consequential or otherwise integrally connected in relation to the aforesaid mentioned.

(C) RATIONALE

The business presently undertaken by MPPL comprises of the engineering business and aerospace business, both of which have different requirements and are operated independent of each other as separate business verticals. Each of these business verticals are significantly large and mature and have a distinct attractiveness to divergent set of investors, strategic partners and other stakeholders.

The engineering business carried on by JFEL along with its subsidiaries (RPAL and JKTL) has grown significantly over the last few decades. Backed with state-of-the-art manufacturing facilities with operations across multiple business segments and wide range of product offerings within precision products for market leaders across industries, acquisition of MPPL creates a strong opportunity of scale in the global precision manufacturing and assembly space and the aerospace business and is expected to unlock synergies for JFEL, RPAL, MPPL, JKTTL and RGCEL.

Acquisition of the business of MPPL has been undertaken as under:

(i) With the objective of acquiring the ongoing business operations carried on by MPPL and further for providing liquidity, immediate exit to few shareholders of MPPL and other commercial reasons, RPAL acquired

59.25% of the equity share capital of MPPL from the existing shareholders of MPPL.

(ii) Consolidate the engineering business of Raymond Group in a single entity i.e., JKTTL, a wholly owned subsidiary of Raymond Limited and segregate the aerospace business in a separate entity i.e., RGCEL, a wholly owned subsidiary of Raymond Limited, in order to achieve various benefits including inter alia, business synergies, market access, unified platform for growth, access to customer base and cost effectiveness.

To unlock the potential value of each business vertical, it is proposed through this Scheme, to: (i) completely demerge the Engineering Business Undertaking of JFEL into JKTTL; (ii) Reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date; (iii) amalgamate RPAL and MPPL into JKTTL; (iv) Reduction and cancellation of the existing paid up share capital of JKTTL as of immediately prior to the Effective Date; (v) demerge the Aerospace Business Undertaking from JKTTL into RGCEL; and (vi) Reduction and cancellation of the existing paid up share capital of RGCEL as of immediately prior to Effective Date.

The proposed restructuring results in the following benefits:

(i) The combined engineering business of Raymond Group and MPPL and the aerospace business of MPPL have both achieved scale and experience to sustain business on the basis of their own strengths. Additionally, both businesses deal with different sets of industry dynamics in the form or nature of risks, competition, challenges, opportunities and business methods. Hence, consolidation of engineering business and segregation of the aerospace business would enable focused managements to explore the potential business opportunities more effectively and efficiently.

(ii) Creation of a dedicated engineering business vertical and aerospace vertical will augment industry-leading revenue growth and profitability which will further provide diverse strategic options and flexibility arising from cost efficiencies and synergies such as diversified product portfolio, optimization of sales, general and administration costs and reduced business risk.

(iii) Each business will be able to target and attract new investors with specific knowledge, expertise and risk appetite corresponding to their own businesses. Thus, each business will have its own set of likeminded investors, thereby providing the necessary funding impetus to the long-term growth strategies of each business.

(iv) The composite scheme will unlock value of both businesses and result in shareholder value maximisation.

(v) Strengthened position in both the industries, in terms of the assets base/ revenues, product range, production volumes, integrated supply chain and market share of both the businesses.

(vi) The Companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

Companies pooled in JKTTL and RGCEL, will lead to optimum use of infrastructure, rationalization of cost in both the areas of business and administrative overheads, thereby maximizing shareholder value of both the companies.

(vii) Greater efficiency in cash management by cost saving for all the Companies as they are capitalizing on each other's core competency and resources which are expected to create a more competitive business, both in scale and operations, cost savings and higher profitability levels for both the businesses.

(viii) Simplified group structure by eliminating multiple companies in similar business, leading to better administration and reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication, reduction in multiplicity of legal and regulatory compliances and rationalization of administration expenses.

(D) <u>PARTS OF THE SCHEME</u>

This Composite Scheme of Arrangement is divided into the following parts:

<u>Part A</u> - of the Scheme deals with definitions of the terms used in this Scheme and the share capital of all the companies which are involved in this Scheme;

<u>Part B</u> - of the Scheme deals with transfer and vesting of the Engineering Business Undertaking of the Demerged Company 1 into the Resulting Company 1 and other related matters;

<u>Part C</u> – of the Scheme deals with reduction and cancellation of the existing paid up redeemable preference share capital of the Demerged Company 1 as of immediately prior to the Effective Date.

<u>Part D</u> – of the Scheme deals with Amalgamation of the Transferor Company 1 and Transferor Company 2 with the Transferee Company;

<u>Part E</u> – of the Scheme deals with reduction and cancellation of the existing paid up share capital of the Resulting Company 1/Transferee Company/ Demerged Company 2 as of immediately prior to the Effective Date;

<u>Part F</u> – of the Scheme deals with transfer and vesting of the Aerospace Business Undertaking of the Demerged Company 2 into the Resulting Company 2 and other related matters; and

<u>Part G</u> – of the Scheme deals with reduction and cancellation of the existing paid up share capital of the Resulting Company 2 as of immediately prior to the Effective Date.

<u>Part H</u> - of the Scheme deals with general terms and conditions applicable to this Scheme.

PART A

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Composite Scheme of Arrangement, unless inconsistent with the subject or context thereof, the following expressions shall have the following meanings:

1.1 **"Accounting Standards"** means the generally accepted accounting principles in India and Indian Accounting Standards as notified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time and to the extent in force and other relevant provisions of the Act;

1.2 **"Act" or "the Act"** means the Companies Act, 2013 as in force from time to time (including any statutory modifications(s) or re-enactment(s) or amendments thereof) and rules and regulations made thereunder, for the time being in force, and which may relate or are applicable to the arrangement proposed pursuant to the Scheme;

1.3 **"Aerospace Business Undertaking"** means all the business of the Demerged Company 2 in relation to the aerospace business on a going concern basis and includes without limitation:

i. All assets and liabilities (excluding assets and liabilities pertaining to Remaining Business of the Demerged Company 2 as defined in Clause 1.27) pertaining to the Aerospace Business Undertaking including intellectual property rights such as copyrights, patents, trademarks, trade names relating to Aerospace Business Undertaking and all the allied marks of any nature whatsoever relating to Aerospace Business Undertaking including other industrial or intellectual property rights of any nature whatsoever relating to Aerospace Business Undertaking including all such other applications/ registrations that may be made from the Appointed Date up to the Effective Date ("Aerospace Intellectual Property Rights"), inventories, stock-in-trade or stock-in-transit and merchandising including raw materials, supplies, finished goods, work in progress, wrapping supply and packaging items, all earnest moneys and / or security deposits, cash and bank balances (including bank account number), advances, receivables, investments of all kinds including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates including but not limited to loans, advances, contingent rights or benefits, book debts, actionable claims, earnest moneys, advances or deposits paid by the Demerged Company 2, financial assets, together with all present and future liabilities (including contingent liabilities) pertaining or relatable thereto;

ii. All computers hardware, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipments, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, leases, licenses, hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), rights to use and avail of telephones, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including Tax benefits), Tax holiday benefit if any, incentives, exemptions, credits (including Tax credits), Tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate provided by any Governmental Authority, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by or in connection with or relating to any property and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company 2 in connection with the Aerospace Business Undertaking;

iii. Without prejudice to the provisions of Sub-Clause (i) and (ii) above, the Aerospace Business Undertaking of the Demerged Company 2 shall include all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets in connection with or pertaining or relatable to the Aerospace Business Undertaking of the Demerged Company 2 such as goodwill, customer lists, customer connects, licenses, permits, quotas, registrations, agreements, contracts, arrangements, insurance policies, privileges or all other rights including Tax deferrals and Tax credits and other benefits, incentives, if any, and all other rights, title, interests, Governmental Approvals or powers of every kind, nature and description whatsoever in connection with or pertaining or relatable to the Aerospace Business Undertaking of the Demerged Company 2 and all deposits and / or moneys paid or received by the Demerged Company 2 in connection with or pertaining or relatable to the Aerospace Business Undertaking;

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Aerospace Business Undertaking of the Demerged Company 2 include:

a) All debts (secured and unsecured), liabilities, contingent liabilities, duties, which arise out of the activities or operations of the Aerospace Business Undertaking of the Demerged Company 2;

b) Specific loans and borrowings raised; incurred and / or utilized solely for the activities or operations of the Aerospace Business Undertaking of the Demerged Company 2; and

c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above and not directly relatable to the Aerospace Business Undertaking of the Demerged Company 2, being the amounts of general or multi-purpose borrowings of the Demerged Company 2 allocated to the Aerospace Business Undertaking of the Demerged Company 2 in the same proportion which the value of the assets

NOTARY GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

J.K. FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

transferred under this Clause bears to the total value of the assets of the Demerged Company 2 immediately before giving effect to Part F of this Scheme.

iv. All employees of the Demerged Company 2 employed in and/ or relatable to the Aerospace Business Undertaking of the Demerged Company 2 as on the Effective Date;

v. All deposits and balances with government, semi government, local and other authorities, and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by the Demerged Company 2 directly or indirectly in connection with or relating to the Aerospace Business Undertaking;

vi. All necessary books, records, files, papers including but not limited to product specifications, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Aerospace Business Undertaking of the Demerged Company 2.

Any question that may arise as to whether a specified asset, liability or employee pertains or does not pertain to the Aerospace Business Undertaking of the Demerged Company 2 or whether it arises out of the activities or operations of the Aerospace Business Undertaking of the Demerged Company 2 shall be decided by the Board of Directors of the Demerged Company 2.

1.4 **"Applicable Law"** means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Governmental Authority, including any modifications or re-enactment thereof for the time being in force;

1.5 **"Appointed Date"** means 1 April 2024, or any other date as may be determined by the NCLT, being the date from which this Scheme shall be deemed to be effective, in the manner described in the Clause 4 of this Scheme;

1.6 **"Board" or "Board of Directors"** means the Board of Directors of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and the Resulting Company 2, as the case may be, and shall unless, it is repugnant to the context, include any committee of the board of directors duly constituted and authorized for the purposes of matters pertaining to the Scheme and / or any other matter relating thereto;

1.7 **"CCPS"** means Compulsory Convertible Preference Shares;

1.8 **"Effective Date"** means the last of the dates on which the certified copies of the Order(s) of the NCLT sanctioning the Composite Scheme of Arrangement

NOTARY A. P. PANDE Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JAFEL TOOLS AND TECHNOLOGIES LIMITED

J.K. FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS

("Order(s)") are filed with the respective Registrar of Companies by the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and the Resulting Company 2. All the references in this Scheme to the words "Scheme taking effect" or "upon the Scheme becoming effective" shall be with reference to the Effective Date;

1.9 **"Employees"** means all the employees relating to the Engineering Business Undertaking of the Demerged Company 1, the Transferor Companies and all the employees relating to the Aerospace Business Undertaking of the Resulting Company 2, as the case may be, respectively as on the Effective Date, in relation to Part B, Part D and Part F of this Scheme respectively;

1.10 **"Encumbrance"** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust, agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income of exercise of any other attribute of ownership, right of set off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise to create any of the same and the term "Encumbered" shall be construed accordingly;

1.11 **"Engineering Business Undertaking"** means all the business of the Demerged Company 1 in relation to the engineering business on a going concern basis and includes without limitation:

i. All assets and liabilities (excluding assets and liabilities pertaining to Remaining Business of the Demerged Company 1 as defined in Clause 1.26) pertaining to the Engineering Business Undertaking and its investments in related subsidiaries i.e., RPAL, JKTL, intellectual property rights such as copyrights, patents, trademarks, trade names relating to Engineering Business Undertaking (excluding investment in Scissors Engineering Products Limited, a wholly owned subsidiary of Demerged Company 1) and all the allied marks (of any nature whatsoever relating to Engineering Business Undertaking including other industrial or intellectual property rights of any nature whatsoever relating to Engineering Business Undertaking including all such other applications/ registrations that may be made from the Appointed Date up to the Effective Date ("Engineering Intellectual Property Rights"), inventories, stock-in-trade or stock-in-transit and merchandising including raw materials, supplies, finished goods, work in progress, wrapping supply and packaging items, all earnest moneys and / or security deposits, cash and bank balances (including bank account number), advances, receivables, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates including but not limited to the investments in subsidiaries carrying on the engineering business, loans, advances, contingent rights or benefits, book debts, actionable claims, earnest moneys, advances or deposits paid by the Demerged Company 1, financial assets, together with all present and future liabilities (including contingent liabilities) pertaining or relatable thereto;

ii. All computers hardware, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors,

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 4233 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

RAINI PRECISION PRODUCTS

furniture, fixtures, interiors, office equipments, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, leases, licenses, hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), rights to use and avail of telephones, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including Tax benefits), Tax holiday benefit if any, incentives, exemptions, credits (including Tax credits), Tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate provided by any Governmental Authority, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by or in connection with or relating to any property and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company 1 in connection with the Engineering Business Undertaking;

iii. Without prejudice to the provisions of Sub-Clause (i) and (ii) above, the Engineering Business Undertaking of the Demerged Company 1 shall include all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets in connection with or pertaining or relatable to the Engineering Business Undertaking of the Demerged Company 1 such as goodwill, customer lists, customer connects, licenses, permits, quotas, registrations, agreements, contracts, arrangements, insurance policies, privileges or all other rights including Tax deferrals and Tax credits and other benefits, incentives, if any, and all other rights, title, interests, Governmental Approvals or powers of every kind, nature and description whatsoever in connection with or pertaining or relatable to the Engineering Business Undertaking of the Demerged Company 1 and all deposits and / or moneys paid or received by the Demerged Company 1 in connection with or pertaining or relatable to the Engineering Business Undertaking;

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Engineering Business Undertaking of the Demerged Company 1 include:

a) All debts (secured and unsecured), contingent liabilities, duties, which arise out of the activities or operations of the Engineering Business Undertaking of the Demerged Company 1;

b) Specific loans and borrowings raised; incurred and / or utilized solely for the activities or operations of the Engineering Business Undertaking of the Demerged Company 1; and

c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above and not directly relatable to the Engineering Business Undertaking of the Demerged Company 1, being the amounts of general or multipurpose borrowings of the Demerged Company 1 allocated to the Engineering Business Undertaking of the Demerged Company 1 in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of the Demerged Company 1 immediately before giving effect to Part B of this Scheme.

iv. All employees of the Demerged Company 1 employed in and/ or relatable to the Engineering Business Undertaking of the Demerged Company 1 as on the Effective Date;

v. All deposits and balances with government, semi government, local and other authorities, and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by the Demerged Company 1 directly or indirectly in connection with or relating to the Engineering Business Undertaking;

vi. All necessary books, records, files, papers including but not limited to product specifications, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Engineering Business Undertaking of the Demerged Company 1.

Any question that may arise as to whether a specified asset, liability or employee pertains or does not pertain to the Engineering Business Undertaking of the Demerged Company 1 or whether it arises out of the activities or operations of the Engineering Business Undertaking of the Demerged Company 1 shall be decided by the Board of Directors of the Demerged Company 1.

1.12 **"Governmental Approval"** means any approval but not limited to permits, authorizations, licenses, consents, registrations, approvals, municipal permissions, industrial licenses, registrations as may be required pursuant to Applicable Laws for conduct of business by any of the companies which is a Party to the Scheme or required for effecting this Scheme;

1.13 **"Governmental Authority"** means any authority, body, department, commission, tribunal, agency or entity exercising executive, legislative, judicial, quasi-judicial regulatory or administrative functions of, or pertaining to the government conferred by Applicable Laws, includes any applicable central, state or local government, any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;

1.14 **"INR"** means Indian Rupee, the lawful currency of the Republic of India;

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JK TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

TANI PRECISION PRODUCTS

1.15 **"IT Act"** means the Indian Income-tax Act, 1961 and the rules, regulations, circulars, notifications and orders issued thereunder including any statutory modifications, re-enactments or amendments thereof for the time being in force;

1.16 **"JFEL"** or **"Demerged Company 1"** means **"JK Files & Engineering Limited"**; an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identity Number (U27104MH1997PLC105955) having its registered office at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India;

1.17 **"JKTL"** means **"JK Talabot Limited"**; an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identity Number (U28930MH2005PLC154517) having its registered office at New Hind House, Narottammorarji Marg, Ballard Estate, Fort, Mumbai – 400001, Maharashtra, India;

1.18 **"JKTTL"** or **"Resulting Company 1"** or **"Transferee Company"** or **"Demerged Company 2"** means **"JKFEL Tools and Technologies Limited"**; an unlisted public company incorporated under the provisions of the Companies Act, 2013 under the Corporate Identity Number (U25933MH2024PLC417852) having its registered office at c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606;

1.19 **"MPPL"** or **"Transferor Company 2"** means **"Maini Precision Products Limited"**; an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identity Number (U27201KA1973PLC002307) having its registered office at c/o Raymond Ltd, Jekegram, Pokharan Road No 1, Jekegram, Thane, Maharashtra, India, 400606;

1.20 **"National Company Law Tribunal"** or **"NCLT"** or **"Tribunal"** means the jurisdictional National Company Law Tribunal as constituted and authorized as per the provisions of the Act for approving any scheme of compromise, arrangement, amalgamation or reconstruction of companies under Sections 230 to 232 read with Section 66 of the Act;

1.21 **"Non-Aerospace Business"** means entire business of the Demerged Company 2 excluding the Aerospace Business Undertaking as defined in Clause 1.3;

1.22 **"Non-Engineering Business"** means entire business of the Demerged Company 1 excluding the Engineering Business Undertaking as defined in Clause 1.11;

1.23 **"Parties"** means collectively, the Demerged Company 1, Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and the Resulting Company 2 and the term **"Party"** shall mean each of them individually;

1.24 **"Raymond Limited"**, a listed public company incorporated under the provisions of the Indian Companies Act, 1913 under Corporate Identity Number (CIN) L17117MHI925PLC001208 and having its registered office at Plot No. 156/H.No. 2, Village Zadgaon, Ratnagiri - 415612, Maharashtra, India;

1.25 **"Registrar of Companies" or "ROC"** means Registrar of Companies, Mumbai, Maharashtra and Registrar of Companies, Pune, Maharashtra;

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS

1.26 **"Remaining Business of the Demerged Company 1" or "Remaining Undertaking of the Demerged Company 1"** means the Non-Engineering Business as defined in Clause 1.22 above carried on by the Demerged Company 1;

1.27 **"Remaining Business of the Demerged Company 2" or "Remaining Undertaking of the Demerged Company 2"** means the Non-Aerospace Business as defined in Clause 1.21 above carried on by the Demerged Company 2;

1.28 **"RGCEL" or "Resulting Company 2"** means **"Ray Global Consumer Enterprise Limited"**; an unlisted public company incorporated under the provisions of the Companies Act, 2013 under the Corporate Identity Number (U52520MH2021PLC354360) having its registered office at C/o Raymond Limited, Pokharan Road No 1, Jekegram, Near Cadbury Junction, Thane, Maharashtra, India, 400606;

1.29 **"RPAL" or "Transferor Company 2"** means **"Ring Plus Aqua Limited"**; an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the Corporate Identity Number (U99999MH1986PLC040885) having its registered office at D-3,4, Sinnar Taluka Audyogik Vasahat Maryadit Village Musalgoan, Taluka Sinnar, Nasik – 422112, Maharashtra, India;

1.30 **"RPS"** means Redeemable Non-Convertible Preference Shares;

1.31 **"Scheme" or "the Scheme" or "this Scheme"** means this Composite Scheme of Arrangement in its present form as submitted to the NCLT or as the case may be this Scheme with such modification(s), if any made, as per Clause 46 of the Scheme;

1.32 **"Taxation" or "Tax" or "Taxes"** means all forms of taxes and statutory, governmental, state, provincial, local government or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax, goods and service tax, customs duty or otherwise or attributable directly or primarily to the Engineering Business Undertaking of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ primarily to the Aerospace Business Undertaking of the Demerged Company 2, the Transferor Companies and Resulting Company 2 and or any other person and all penalties, charges, costs and interest relating thereto;

1.33 **"Tax Laws"** means all Applicable Laws, acts, rules, regulations, notifications and circulars dealing with Taxes including but not limited to the IT Act, wealth Tax, value added Tax, service Tax, goods and services Tax, excise duty, customs duty or any other levy of similar nature.

1.34 **"Transferor Companies"** means Transferor Company 1 and Transferor Company 2.

2. INTERPRETATION

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, IT Act, and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

In this Scheme, unless the context otherwise requires:

i. references to a statutory provision include any subordinate legislation made from time to time under that provision;

ii. references to the singular include the plural and vice versa and references to any gender includes the other gender;

iii. references to a statute or statutory provision include that statute or provision as from time to time modified or re-enacted or consolidated and (so far as liability thereunder may exist or can arise) shall also include any past statutory provision (as from time to time modified or re-enacted or consolidated) which such provision has directly or indirectly replaced, provided that nothing in this Clause shall operate to increase the liability of any Parties beyond that which would have existed had this Clause been omitted;

iv. references to a document shall be a reference to that document as modified, amended, novated or replaced from time to time;

v. headings are for convenience only and shall be ignored in construing or interpreting any provision of this Scheme;

vi. the expression "this Clause" shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (and not merely the Sub-Clause, paragraph or other provision) in which the expression occurs;

vii. references to Clauses are to Clauses of this Scheme;

viii. references to any person shall include that person's successors and permitted assigns or transferees;

ix. references to the words “including”, “include” or “includes” shall be interpreted in a manner as though the words “without limitation” immediately followed the same;

x. references to the words "hereof, "herein" and "hereunder" and words of similar importance shall refer to this Scheme as a whole and not to any particular provision of this Scheme;

xi. where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generic with any foregoing words;

xii. the words "directly or indirectly" mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and "direct or indirect" shall have the correlative meanings; and

xiii. the Schedules shall constitute an integral part of this Scheme.

3. SHARE CAPITAL

3.1 The authorized, issued, subscribed and paid-up share capital of JFEL as on 31 March 2024 is as under:

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

Share Capital	Amount in INR
Authorized Share Capital	
8,50,00,000 Equity Shares of INR 2 each	17,00,00,000
60,00,000 Non-Convertible Redeemable 0.01% Preference Shares of INR 100 each	60,00,00,000
Total	**77,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
5,24,43,948 Equity Shares of INR 2 each	10,48,87,896
50,00,000 Non-Convertible Redeemable 0.01% Preference Shares of INR 100 each	50,00,00,000
Total	**60,48,87,896**

Subsequent to the above date and till date of approval of this Scheme by the Board, there has been no change in the issued, subscribed and paid-up capital of JFEL.

3.2 The authorized, issued, subscribed and paid-up share capital of RPAL as on 31 March 2024 is as under:

Share Capital	Amount in INR
Authorized Share Capital	
3,00,00,000 Equity Shares of INR 10 each	30,00,00,000
Total	**30,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
77,56,671 Equity Shares of INR 10 each	7,75,66,710
Total	**7,75,66,710**

Subsequent to the above date and till date of approval of this Scheme by the Board, there has been no change in the issued, subscribed and paid-up capital of RPAL.

3.3 The authorized, issued, subscribed and paid-up share capital of MPPL as on 31 March 2024 is as under:

Share Capital	Amount in INR
Authorized Share Capital	
6,00,00,000 Equity Shares of INR 2 each	12,00,00,000
2,85,00,000 Compulsory Convertible Preference Shares of INR 10 each	28,50,00,000
Total	**40,50,00,000**
Issued, Subscribed and Paid-up Share Capital	
52,438,440 Equity Shares of INR 2 each	10,48,76,880
Total	**10,48,76,880**

Subsequent to the above date and till date of approval of this Scheme by the Board, there has been no change in the issued, subscribed and paid-up capital of MPPL.

3.4 The authorized, issued, subscribed and paid-up share capital of JKTTL as on 31 March 2024 is as under:

Share Capital	Amount in INR
Authorized Share Capital	

Share Capital	Amount in INR
10,000 Equity Shares of INR 10 each	1,00,000
Total	**1,00,000**
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of INR 10 each	1,00,000
Total	**1,00,000**

Subsequent to the above date and till date of approval of this Scheme by the Board, there has been no change in the issued, subscribed and paid-up capital of JKTTL.

3.5 The authorized, issued, subscribed and paid-up share capital of RGCEL as on 31 March 2024 is as under:

Share Capital	Amount in INR
Authorized Share Capital	
50,000 Equity Shares of INR 10 each	5,00,000
Total	**5,00,000**
Issued, Subscribed and Paid-up Share Capital	
50,000 Equity Shares of INR 10 each	5,00,000
Total	**5,00,000**

Subsequent to the above date and till date of approval of this Scheme by the Board, there has been no change in the issued, subscribed and paid-up capital of RGCEL.

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

Each part of the Scheme set out herein in its present form or with any modifications(s) in accordance with Clause 46 of the Scheme shall, unless otherwise specified, be effective from the Appointed Date but operative from the Effective Date.

PART B

DEMERGER OF THE ENGINEERING BUSINESS UNDERTAKING FROM THE DEMERGED COMPANY 1 INTO THE RESULTING COMPANY 1

5. TRANSFER AND VESTING OF ENGINEERING BUSINESS UNDERTAKING OF THE DEMERGED COMPANY 1 INTO THE RESULTING COMPANY 1

5.1 Upon the Scheme becoming effective, with effect from the Appointed Date, the Engineering Business Undertaking of the Demerged Company 1 shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 read with Section 66 of the Act and all other Applicable Laws, without any further act or instrument, deed, matter or thing be transferred to and vested in the Resulting Company 1 on a 'going concern' basis.

5.2 Without prejudice to the generality of Clause 5.1 above, upon the Scheme becoming effective, with effect from the Appointed Date, the Engineering Business Undertaking of the Demerged Company 1 as a going concern, including:

(I) all the assets, property, rights, titles and benefits, whether movable or immovable, real or personal, present or contingent, in possession or reversion or otherwise, corporeal or incorporeal, tangible or intangible (as specified in Schedule I) including without limitation:

(a) all property, manufacturing facilities and all structures standing thereon, equipments, buildings, the fixed and movable plant and machinery, furniture and fixtures, electrical installations, vehicles, computers, communication devices, offices and retail stores, if any;

(b) all capital work in progress including all property, plant and equipments and all investment properties, if any;

(c) all investment properties including land, buildings, the fixed and movable furniture and fixtures, office, plant and machinery, electrical installations and equipments, computers, communication devices, if any;

(d) all intangible assets and all intangible assets under development including computer softwares, if any;

(e) all investments including investment in joint ventures, partnership firms of joint ventures, capital investment in partnership firms, associations of persons, mutual funds, if any;

(f) all other financial assets including fixed deposits with banks (including bank account number), if any;

(g) all deferred tax assets, if any;

(h) all land and building (whether owned, leased, licensed or otherwise under the possession of the Engineering Business Undertaking as specified in Schedule II), if any;

(i) current assets including finished goods, stock in trade, trade receivables, bills, credits, loans and advance, if any, whether recoverable in cash or kind or for value to be received, investments, reserves, cash and bank balances (including bank account number) and deposits with any government, quasi – government, local or other authority or body or with company or other person, funds, permissions, tax assets including benefits and credits under income tax, service tax / sales tax / value added tax / GST / excise duty and / or any other statues, incentives, if any;

(j) all other current and non-current assets including capital advances, security deposits, advances to vendors, advances recoverable in cash or kind, balance with government authorities, contract assets, prepaid expenses, if any;

(k) business licenses, permits, lease, tenancy rights, letters of intent, authorizations, registrations, intellectual property rights such as copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever relating to the Engineering Business Undertaking, if any;

(l) privileges, liberties, easements, advantages, benefits and approvals, deposits, advance and other taxes paid to the authorities, if any;

(m) consent, approvals or powers of every kind and description, agreements, software license, domain/ website etc., applications, statutory permissions, consents and registrations or approvals obtained from relevant authorities, if any;

(II) all debts, liabilities, duties and obligations of any kind, nature or description, secured or unsecured, current or non-current, whether provided for or not, including contingent liabilities.

shall pursuant to the Order of the NCLT and pursuant to provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Act and without any notice, intimation, and without any further act, instrument or deed, but subject to the charges affecting the same, be vested in the Resulting Company 1 so as to become the properties and liabilities (as the case may be) of the Resulting Company 1.

5.3 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of all the assets of the Engineering Business Undertaking of the Demerged Company 1 of whatsoever nature and where so ever situated and incapable of passing by manual delivery and/or endorsement or otherwise however, shall, under the provisions of Sections 230 to 232 read with Section 66 and all other applicable provisions of the Act, without any further act or deed be transferred to and vested in and/or deemed to be transferred to and vested in the Resulting Company 1 so as to vest in the Resulting Company 1 all the rights, title and interest of Engineering Business Undertaking of the Demerged Company 1 therein.

5.4 Upon this Scheme becoming effective and with effect from the Appointed Date, all Intellectual Property Rights of the Demerged Company 1 related to the Engineering Business ("Engineering Intellectual Property Rights"), shall without any requirement of any further act or assignment deed stand transferred and vested in the Resulting Company 1. This Scheme shall serve as a requisite consent for use and transfer of Engineering Intellectual Property Rights without requiring the execution of any further assignment deed or any other deed or document so as to transfer the said Engineering Intellectual Property Rights in favour of the Resulting Company 1. Further, as decided by the Board of the Demerged Company 1, for procedural purposes it may execute an assignment deed, if required for the purpose of transfer of Engineering Intellectual Property Rights pursuant to this Scheme.

5.5 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of all the movable assets of the Engineering Business Undertaking of the Demerged Company 1, the assets which are otherwise capable of transfer by physical delivery or endorsement and/ or delivery, including cash on hand, shall be so transferred to the Resulting Company 1, and deemed to have been physically handed over by physical delivery or by endorsement and/ or delivery, as the case may be, to the Resulting Company 1 to the end and intent that the property and benefit therein passes to the Resulting Company 1 without requiring any separate deed, instrument, or writing for the same.

5.6 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of the movable properties, if any, of the Engineering Business Undertaking of the Demerged Company 1, other than those specified in Clause 5.3 to Clause 5.5 above and any intangible assets including sundry debtors, outstanding loans and advances, outstanding debts, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, the Resulting Company 1 may itself or require the Demerged Company 1 (and the Demerged Company 1 shall upon such requisition from the Resulting Company 1), at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, give notices in such form as it may deem fit and proper, to each person, debtors or depositors, as the case may be, that pursuant to the NCLT having sanctioned the Scheme, the said debt, outstanding loans and advances, outstanding deposit be paid or made good or held on account of the Resulting Company 1 as the person entitled and intent thereto to the end and intent that the right of the Demerged Company 1 to recover or realize all such debts (including the debts payable by such persons or depositors to the Demerged Company 1) stands transferred and assigned to the Resulting Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid change.

5.7 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of the immovable properties, if any, of the Engineering Business Undertaking of the Demerged Company 1, whether or not included in the books of the Demerged Company 1, whether freehold or leasehold/licensed and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in the Resulting Company 1, without any act or deed done by the Demerged Company 1 and/ or the Resulting Company 1. With effect from the Appointed Date, the Resulting Company 1 shall be entitled to exercise all rights and privileges and be liable to pay lease rent/license fees, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/assignment of title or rights to the immovable properties in the name of the Resulting Company 1 shall be made and duly recorded by the appropriate authorities or the concerned lessors/licensors pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of the Resulting Company 1.

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

5.8 Upon the Scheme becoming effective, with effect from the Appointed Date, loans, advances and other obligations if any, due or which may at any time in future become due between the Engineering Business Undertaking of the Demerged Company 1 and the Resulting Company 1 shall stand cancelled and there shall be no liability in that behalf on either party.

5.9 Upon the Scheme becoming effective, with effect from the Appointed Date, subject to Applicable Law, all the Governmental Approvals, statutory licenses, permissions or approvals or consents, required to carry on the Engineering Business Undertaking of the Demerged Company 1 shall stand vested in or transferred to the Resulting Company 1 without any further act or deed and shall be appropriately mutated by the authorities concerned in favour of the Resulting Company 1. The benefit of all Governmental Approvals, statutory licenses, permissions or approvals or consents shall vest in and shall be in full force and effect against or in favour of the Resulting Company 1 and may be enforced as fully and effectually as if instead of the Demerged Company 1, the Resulting Company 1 had been the party thereto or the beneficiary or oblige thereof pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, if any, granted by any Government Authority pursuant to Applicable Law or by any other person, or availed of by the Demerged Company 1, as the case may be, the same shall vest with and be available to the Resulting Company 1 on the same terms and conditions.

5.10 Upon the Scheme becoming effective, with effect from the Appointed Date, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, including RPS, contingent/ potential Tax liabilities of the Engineering Business Undertaking shall, pursuant to the applicable provisions of the Act, stand transferred to and be vested in the Resulting Company 1, without any act or deed done by the Demerged Company 1 and/ or the Resulting Company 1. Further, Resulting Company 1 shall undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. In furtherance of the transfer of aforesaid liabilities from the Demerged Company 1 to the Resulting Company 1, the Resulting Company 1 shall issue one (1 only) RPS of the Resulting Company 1 of INR 100/- each to the RPS holders of Demerged Company 1 for every one (1 only) RPS held by such RPS holder in the Demerged Company 1. For the sake of completeness, it is clarified that all terms thereof will remain the same for the holders and there will be no transfer or swap of the security/ instrument from the perspective of the holders thereof. Further, for the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

5.11 Pursuant to Clause 5.10 above, the holders of RPS of the Demerged Company whose names are recorded in the relevant registers of the Demerged Company, if any, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors, shall hold the same number of RPS in the Resulting Company 1 as held by such RPS holder in the Demerged Company 1 and on the same terms and conditions.

5.12 Upon the Scheme becoming effective, with effect from the Appointed Date, the Demerged Company 1 may, at its sole discretion but without being obliged to give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Engineering Business Undertaking stands transferred to and vested in the Resulting Company 1 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.

5.13 Unless otherwise agreed to between the Board of the Demerged Company 1 and the Resulting Company 1, the vesting of all the assets of the Demerged Company 1 forming part of the Engineering Business Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Engineering Business Undertaking of the Demerged Company 1 or part thereof on or over which they are subsisting on and vesting of such assets in the Resulting Company 1 and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company 1. Any reference in any security documents or arrangements (to which the Demerged Company 1 is a party) related to any assets of Demerged Company 1 shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company 1. Similarly, Resulting Company 1 shall not be required to create any additional security over assets vested under this Scheme for any loans, deposits or other financial assistance already availed of/ to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company 1 shall not extend or be deemed to extend or apply to the assets so vested.

5.14 In so far as any Encumbrance in respect of liabilities pertaining to the Engineering Business Undertaking is concerned, such Encumbrance shall without any further act, instrument, or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company 1. For the avoidance of doubt, it is hereby clarified that, in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the liabilities pertaining to the Engineering Business Undertaking is concerned, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Engineering Business Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company 1 pursuant to this Scheme and which shall continue with the Demerged Company 1, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

5.15 Upon the Scheme becoming effective, taxes, if any, paid or payable by Demerged Company 1 after Appointed Date and specifically pertaining to Engineering Business Undertaking shall be treated as paid or payable by the Resulting Company 1 and the Resulting Company 1 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

5.16 Upon the Scheme becoming effective, the Demerged Company 1 and/ or the Resulting Company 1 shall have the right to revise their respective financial statements, income-tax returns, tax deducted at source returns, GST returns and other statutory return along with prescribed forms, filing and annexure under Tax Laws even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum and to claim refunds, credit of the tax deducted and collected at source, credit of minimum alternative tax, credit of foreign taxed paid/ withheld, carry forward of tax losses, credit in respect of sales tax, value added tax, service tax, goods and serviced tax and other indirect tax etc., and for the matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that the Resulting Company 1 shall be entitled to claim deduction under section 43B, section 40A, section 40 of the IT Act in respect of unpaid liabilities transferred to it as part of the Engineering Business Undertaking to the extent not claimed by Demerged Company 1.

5.17 Upon the Scheme becoming effective, with effect from the Appointed Date, any refund under the Tax Laws due to Demerged Company 1 pertaining to the Engineering Business Undertaking consequent to the assessments made on Demerged Company 1 and for which no credit is taken in the accounts of the Demerged Company 1 as on the date immediately preceding the Appointed Date shall belong to and be received by the Resulting Company 1.

5.18 Upon the Scheme becoming effective, with effect from the Appointed Date, any TDS withheld / TCS collected, TDS/ TCS deposited, TDS/ TCS certificates issued or TDS/ TCS returns filed by the Demerged Company 1 relating to the Engineering Business Undertaking shall continue to hold good as if such TDS/ TCS amounts were withheld / collected and deposited, TDS/ TCS certificates were issued, and TDS/ TCS returns were filed by the Resulting Company 1.

5.19 Upon the Scheme becoming effective, with effect from the Appointed Date, any GST/ customs duty collected/ deposited, GST/ customs duty returns filed by the Demerged Company 1 relating to the Engineering Business Undertaking shall continue to hold good as if such GST/ customs duty amounts were collected/ deposited, and GST/ customs duty returns were filed by the Resulting Company 1.

5.20 Notwithstanding anything contained in this Clause:

(i) any unutilized GST credits pertaining to the Engineering Business Undertaking shall be transferred by the Demerged Company 1 to the Resulting Company 1, respectively in accordance with Applicable Laws. The Demerged Company 1 and Resulting Company 1 shall be entitled to take such actions as may be necessary under Applicable Law to effect such transfer; and

(ii) GST credits and GST liability pertaining to the activities or operations of the Engineering Business Undertaking between the Appointed Date and the Effective Date shall be dealt with in accordance with Applicable Laws.

5.21 On and from the Effective Date, all cheques and other negotiable instruments and payments order received or presented for encashment which are in the name of the Demerged Company 1 and are in relation to or in connection with the Engineering Business Undertaking, shall be accepted by the bankers of the

Resulting Company 1 and credited to the account of Resulting Company 1, if presented by Resulting Company 1.

6. **CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.**

6.1 Upon the Scheme being effective, with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature and which are subsisting or have effect immediately before the Effective Date and relating to the Engineering Business Undertaking of the Demerged Company 1, shall continue in full force and effect on or against or in favor of, as the case may be, the Resulting Company 1 and may be enforced as fully and effectually as if, instead of the Demerged Company 1, the Resulting Company 1 had been a party or beneficiary or oblige thereto or there under.

6.2 The Resulting Company 1, at any time after the Scheme taking effect in accordance with the provisions hereof, may without being obliged and if it so deems appropriate at its sole discretion, or if required under any Applicable Law, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Demerged Company 1 is a party in order to give formal effect to the provisions of this Scheme. The Resulting Company 1 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company 1 to carry out or perform all such formalities or compliances, referred to above, on behalf of the Demerged Company 1.

7. **LEGAL PROCEEDINGS**

7.1 All legal proceedings, including arbitration proceedings, of whatsoever nature by or against the Demerged Company 1 pending and / or arising at or after the Appointed Date, as and from the Effective Date and relating to the Engineering Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Resulting Company 1 in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company 1.

7.2 After the Appointed Date, if any proceedings are taken against the Demerged Company 1 in respect of the matters referred in the Clause 7.1 above, the Demerged Company 1 shall defend the same in accordance with advice and instructions of the Resulting Company 1 at the cost of the Resulting Company 1, and the Resulting Company 1 shall reimburse and indemnify the Demerged Company 1 against all liabilities and obligations incurred by the Demerged Company 1 in respect thereof.

7.3 Immediately after the Effective Date, the Resulting Company 1 shall ensure to have all legal or other proceedings initiated by or against the Demerged Company 1 in relation to the Engineering Business Undertaking referred to in Clause 7.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company 1 after the Effective Date.

8. EMPLOYEES

8.1 All the Employees of the Engineering Business Undertaking, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the Employees of the Resulting Company 1, without any break or interruption in service as a result of the demerger and on terms and conditions not less favorable than those applicable to them with reference to the Engineering Business Undertaking immediately preceding the Effective Date. Services of the Employees of the Engineering Business Undertaking shall be taken into account from the date of their appointment with the Demerged Company 1for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Resulting Company 1 further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Demerged Company 1 shall also be taken into account.

8.2 The services of such Employees shall not be treated as being broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Demerged Company 1.

8.3 The Demerged Company 1 shall not vary the terms and conditions of employment of any of the Employees of the Engineering Business Undertaking except in the ordinary course of business or without the prior consent of the Resulting Company 1 or pursuant to any pre-existing obligation undertaken by the Demerged Company 1 as the case may be, prior to the Effective Date.

8.4 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company 1 pursuant to Applicable Laws or otherwise (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which pertains/ relates to the Employees of the Engineering Business Undertaking of the Demerged Company 1 shall be transferred to separate funds of the Resulting Company 1 for the benefit of the Employees of the Engineering Business Undertaking of the Demerged Company 1 or be transferred to and merged with the similar funds, if any, of the Resulting Company 1. In the event that the Resulting Company 1 does not have its own funds in respect of any of the above, the Resulting Company 1 may, subject to necessary Governmental Approvals, continue to contribute to the relevant Funds of the Demerged Company 1, until such time that the Resulting Company 1 creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees of the Engineering Business Undertaking of the Demerged Company 1 shall be transferred to the funds created by the Resulting Company 1. It is clarified that the services of the Employees of the Engineering Business Undertaking of the Demerged Company 1 will be treated as having been continuous for the purpose of the said fund or funds.

8.5 Any question that may arise as to whether any employee belongs to or does not belong to the Engineering Business Undertaking shall be decided by Board of Directors of the Demerged Company 1.

9. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date to the Effective Date:

(a) the Demerged Company 1 shall carry on, and shall be deemed to have carried on, all the business, activities and operations relating to the Engineering Business Undertaking, and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the assets, properties and liabilities of the Engineering Business Undertaking, on account of and/ or on behalf of and/ or for the benefit of and / or in trust for, the Resulting Company 1.

(b) the Demerged Company 1 shall not without the prior written consent of the Board of Directors of the Resulting Company 1 or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to the Engineering Business Undertaking or any part thereof except in the ordinary course of its business.

(c) the Demerged Company 1 shall not vary the terms and conditions of service of its permanent employees relating to the Engineering Business Undertaking or recruit any new employees except in the ordinary course of its business or as per past prevailing practices.

(d) the Resulting Company 1 shall be entitled, pending sanction of the Scheme, to apply to the relevant Governmental Authority as necessary under any Applicable Law for such Governmental Approval, which the Resulting Company 1 may require to carry on the business of Engineering Business Undertaking. Further, the Demerged Company 1 shall extend all assistance to the Resulting Company 1, if requested by the Resulting Company 1, in obtaining the said Governmental Approvals.

(e) Taxes, if any, paid or payable by the Demerged Company 1 specifically pertaining to the Engineering Business Undertaking shall be treated as paid or payable by the Resulting Company 1 and the Resulting Company 1 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable. The Demerged Company 1 shall not claim credit of the same. All the profits or incomes accruing or arising and all expenditure or losses arising or incurred (including all Taxes, if any, paid or accruing in respect of any profits and income) by the Demerged Company 1 in relation to the Engineering Business Undertaking shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes, or as the case may be, expenditure or losses (including Taxes) of, the Resulting Company 1.

(f) Without prejudice to sub-clauses (a) to (e) of this Clause 9, the Demerged Company 1 shall adhere to all pre-existing obligations in relation to the Engineering Business Undertaking and in connection with the transactions contemplated under this Scheme;

Any of the rights, powers, authorities and privileges attached or related or pertaining to the Engineering Business Undertaking and exercised by or available to the Demerged Company 1, shall be deemed to have been exercised for and on behalf of and as an agent for the Resulting Company 1. Further, any of the obligations, duties and commitments attached, relating or pertaining to the Engineering Business Undertaking that have been undertaken or discharged by the Demerged Company 1 shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company 1.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Engineering Business Undertaking as above and the continuance of proceedings by or against the Demerged Company 1 in relation to the Engineering Business Undertaking shall not affect any transaction or proceedings already concluded till the Effective Date in accordance with this Scheme, to the end and intent that the Resulting Company 1 accepts and adopts all acts, deeds and things done and executed by the Demerged Company 1 in respect thereto as done and executed on behalf of the Resulting Company 1.

11. CONSIDERATION

11.1 Upon the Scheme becoming effective and upon vesting of the Engineering Business Undertaking of the Demerged Company 1 into the Resulting Company 1, the Resulting Company 1 shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company 1 whose name appears in the register of members or BENPOS statement of the Demerged Company 1 as on the Effective Date or to their respective heirs, executors, administrators, legal representatives or the successors in title, as the case may be as may be recognized by the Board of Directors of the Resulting Company 1, in the following proportion:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1").

11.2 In the event that the New Equity Shares 1 to be issued result in fractional entitlement, the Board of JKTTL shall round off such fractional entitlements to the nearest integer.

11.3 The Resulting Company 1 shall take necessary steps to increase, alter, or re-classify, if necessary, its authorized share capital suitably to enable it to issue and allot the New Equity Shares 1 required to be issued and allotted by it under this Scheme.

11.4 The consideration to be issued and allotted under Clause 11.1 of the Scheme shall be in accordance with the Applicable Laws and regulations in force and contractual/ other arrangement between parties, if any.

11.5 New Equity Shares 1 to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Resulting Company 1. New Equity Shares 1 issued and allotted by the Resulting Company

1 in terms of this Scheme shall rank pari-passu in all respects with the existing shares of the Resulting Company 1 including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company 1.

11.6 The approval of this Scheme by the shareholders of the Resulting Company 1 shall be deemed to be due compliance of the provisions of section 42, section 62, if applicable, and all the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares 1 by the Resulting Company 1 to the shareholders of the Demerged Company 1, as provided in this Scheme.

11.7 The consideration in the form of New Equity Shares 1 shall be issued and allotted by the Resulting Company 1 in dematerialized form to all the shareholders of the Demerged Company 1.

11.8 In the event that the Demerged Company 1 and the Resulting Company 1 restructure their share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share exchange ratio as per Clause 11.1 above shall be adjusted accordingly to take into account the effect of any such corporate actions.

11.9 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company 1, the Board of the Demerged Company 1 shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the transferor or transferee of shares in the Demerged Company 1.

12. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 1 AND THE RESULTING COMPANY 1

12.1 **<u>In the books of the Demerged Company 1</u>**

Notwithstanding anything to the contrary contained herein, the Demerged Company 1 shall account for the demerger of Engineering Business Undertaking in its books of accounts in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, as may be amended from time to time and on the date as determined under Ind AS. The accounting in the books of accounts of the Demerged Company 1 is as follows:

- The Demerged Company 1 shall derecognise assets (including movable assets and immovable assets) and liabilities pertaining to the Engineering Business Undertaking transferred to and vested in the Resulting Company 1.
- The excess of the carrying amount of assets transferred over the carrying amount of liabilities transferred shall be adjusted with retained earnings.

12.2 **<u>In the books of the Resulting Company 1</u>**

Notwithstanding anything to the contrary contained herein, the Resulting Company 1 shall account for the acquisition of the Engineering Business

Undertaking in its books of accounts by applying the principles prescribed in Indian Accounting Standard 103, Business Combinations, Appendix C - Business combinations of entities under common control and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under section 133 of the Act and the relevant clarifications issued by the ICAI.

13. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Demerged Company 1 in relation to the Engineering Business Undertaking as are considered necessary by the Board of Directors of the Resulting Company 1 which are validly subsisting be considered as resolutions of the Resulting Company 1. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Resulting Company 1, shall be added to the limits, if any, under the like resolutions passed by the Resulting Company 1.

14. REMAINING UNDERTAKING OF THE DEMERGED COMPANY 1

14.1 The Remaining Undertaking of the Demerged Company 1 and all the assets, properties, rights, liabilities and obligations thereto shall continue to belong to and be vested in and be managed by the Demerged Company 1 and the Resulting Company 1 shall have no right, claim or obligation in relation to the Remaining Undertaking of the Demerged Company 1. From the Appointed Date, the Demerged Company 1 shall carry on the activities and operations of the Remaining Undertaking of the Demerged Company 1 distinctly and as a separate business from the Engineering Business Undertaking. It is hereby clarified that the Demerged Company 1 shall continue to have the right, title, interest in and the right to license the Non-Engineering Intellectual Property Rights for all businesses whether or not currently undertaken by the Demerged Company 1.

14.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company 1 under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case pertaining to the Remaining Undertaking of the Demerged Company 1 shall be continued and enforced by or against the Demerged Company 1 after the Effective Date. The Resulting Company 1 shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company 1.

14.3 With effect from the date of approval of this Scheme by the Board of Directors of the Demerged Company 1 and the Resulting Company 1 and up to, including and beyond the Effective Date, the Demerged Company 1:

(i) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Undertaking of the Demerged Company 1 for and on its own behalf; and

(ii) all profits accruing to the Demerged Company 1 thereon or losses arising or incurred by it relating to the Remaining Undertaking of the Demerged

Company 1 shall for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company 1.

PART C

CANCELLATION AND REDUCTION OF PAID-UP REDEEMABLE PREFERENCE SHARE CAPITAL OF THE DEMERGED COMPANY 1

15. CANCELLATION AND REDUCTION OF PAID-UP REDEEMABLE PREFERENCE SHARE CAPITAL OF THE RESULTING COMPANY 1

15.1 Upon the Scheme becoming effective, the existing paid up redeemable preference share capital of the Demerged Company 1 as of immediately prior to the Effective Date shall stand cancelled without any further act or deed immediately and without any consideration and accordingly, the existing paid up redeemable preference share capital of the Demerged Company 1 shall stand reduced to the extent of face value of such redeemable preference shares cancelled.

15.2 The amount of paid-up redeemable preference share capital of the Demerged Company 1 cancelled as per Clause 15.1 above shall be credited to the capital reserve account in the books of the Demerged Company 1.

15.3 The cancellation and reduction in existing paid up redeemable preference share capital of the Demerged Company 1 shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 230 to 232 read with Section 66 of the Act and any other applicable provisions of the Act. The reduction would not involve either a diminution in liability in respect of the unpaid share capital, it being clarified that the procedure under Section 66 of the Act shall not be applicable in view of the Explanation to Section 230(12) of the Act. Notwithstanding the reduction in the redeemable preference share capital of the Demerged Company 1, the Demerged Company 1 shall not be required to add "And Reduced" as suffix to its name.

NOTARY
A. P. PANDEY
Dombivali Thane
Maharashtra
Regn. No. 3203
Exp. Dt.
27/7/2025
GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED
JKFEL TOOLS AND TECHNOLOGIES LIMITED
JK FILES & ENGINEERING LIMITED
RING PLUS AQUA LIMITED
RAJ PRECISION PRODUCTS LIMITED

PART D

AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

16. TRANSFER AND VESTING OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

16.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, upon the Scheme becoming effective, the entire business and whole of the undertaking of the Transferor Companies as a going concern shall pursuant to the provisions contained in Sections 230 to 232 read with Section 66 and all other applicable provisions, if any, of the Act read with Section 2(1B) of the IT Act and without any further act or deed shall stand transferred to and vested with and / or be deemed to be transferred to and vested with the Transferee Company.

16.2 Without prejudice to the generality of Clause 16.1 above, upon the Scheme becoming effective, with effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Companies as a going concern, including

(I) all the assets, property, rights, titles and benefits, whether movable or immovable, real or personal, present or contingent, in possession or reversion or otherwise, corporeal or incorporeal, tangible or intangible (as specified in Schedule III) including without limitation

(a) all property, plant and equipments including buildings, the fixed and movable furniture and fixtures, plant and machinery, electrical installations and equipments, vehicles, computers, communication devices, office/ construction/ other equipments, if any,

(b) all capital work in progress including all property, plant and equipments and all investment properties, if any,

(c) all investment properties including land, buildings, the fixed and movable furniture and fixtures, office/ construction/ other equipments, plant and machinery, electrical installations and equipments, computers, communication devices, if any,

(d) all intangible assets and all intangible assets under development including computer softwares, if any,

(e) all investments including investment in joint ventures, partnership firms of joint ventures, capital investment in partnership firms, associations of persons, mutual funds, if any,

(f) all other financial assets including fixed deposits with banks (including bank account number), if any,

(g) all deferred tax assets, if any,

(h) all land and building (whether owned, leased, licensed or otherwise under the possession of the Transferor Companies as specified in Schedule IV and Schedule V), if any,

(i) current assets including finished goods, stock in trade, trade receivables, bills, credits, loans and advance, if any, whether recoverable in cash or kind or for value to be received, investments, reserves, cash and bank balances (including bank account number) and deposits with any government, quasi – government, local or other authority or body or with company or other person, funds, permissions, income tax assets including benefits under IT Act, value added tax / GST / excise duty and / or any other statues, incentives, if any,

(j) all other current and non-current assets including capital advances, security deposits, advances to vendors, advances recoverable in cash or kind, balance with government authorities, contract assets, prepaid expenses, if any,

(k) business licenses, permits, lease, tenancy rights, letters of intent, authorizations, registrations, intellectual property rights such as copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever relating to the Transferor Companies, if any,

(l) privileges, liberties, easements, advantages, benefits and approvals, deposits, advance and other taxes paid to the authorities, if any,

(m) consent, approvals or powers of every kind and description, agreements, software license, domain/ website etc., applications, statutory permissions, consents and registrations or approvals obtained from relevant authorities, if any,

(II) all debts, liabilities, duties and obligations of any kind, nature or description, secured or unsecured, current or non-current, whether provided for or not, including contingent liabilities.

shall pursuant to the Order of the NCLT and pursuant to provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Act and without any notice, intimation, and without any further act, instrument or deed, but subject to the charges affecting the same, be vested in the Transferee Company so as to become the properties and liabilities (as the case may be) of the Transferee Company.

16.3 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of the movable assets of the Transferor Companies, if any, the assets which are otherwise capable of transfer by physical delivery or endorsement and/ or delivery, including cash on hand, shall be so transferred to the Transferee Company, and deemed to have been physically handed over by physical delivery or by endorsement and/ or delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company without requiring any separate deed, instrument, or writing for the same.

16.4 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of the movable properties, if any, of the Transferor Companies, other than those specified in Clause 16.3 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of the Transferee Company (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, depositor, as the case may be, that such debt, loan, advance, balance or deposits stand transferred and vested in the Transferee Company).

16.5 Upon the Scheme becoming effective, with effect from the Appointed Date, subject to Applicable Law, all the Governmental Approvals, statutory licenses, permissions or approvals or consents, required to carry on the operations and business of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the authorities concerned in favour of the Transferee Company. The benefit of all Governmental Approvals, statutory licenses, permissions or approvals or consents shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Companies, the Transferee Company had been the party thereto or the beneficiary or oblige thereof pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, if any, granted by any Government Authority pursuant to Applicable Law or by any other person, or availed of by the Transferor Companies, as the case may be, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

16.6 Upon the Scheme becoming effective, with effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Companies, shall be deemed to have been transferred to the Transferee Company, pursuant to the provisions of Sections 230 to 232 read with Section 66 of the Act, and to the extent they are outstanding on the Effective Date shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, duties and obligations have arisen in order to give effect to the provisions of this Clause. Further, subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or terms of sanction or issue or any security document, all of such instruments shall stand modified accordingly.

16.7 Upon the Scheme becoming effective, with effect from the Appointed Date, loans, advances and other obligations if any, due or which may at any time in future become due between the Transferor Companies and the Transferee Company shall stand cancelled and there shall be no liability in that behalf on either party.

16.8 The transfer and vesting of the undertakings of the Transferor Companies as aforesaid shall be subject to the existing Encumbrances, if any, subsisting over or in respect of the property and assets or any part thereof, to the extent such Encumbrances are created to secure the liabilities forming part of the Transferor Companies and/ or the Transferee Company. Provided always that this Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility, if any, availed of by the Transferor Companies and/ or the Transferee Company,

RAY GLOBAL CONSUMER ENTERPRISE LIMITED JKFEL TOOLS AND TECHNOLOGIES LIMITED JK FILES & ENGINEERING LIMITED RING PLUS AQUA LIMITED TAMI PRECISION PRODUCTS LIMITED and the Transferee Company shall not be obliged to create or provide any further or additional security therefore after the Effective Date or otherwise. Without prejudice to the provisions of the foregoing clauses and upon the Scheme being effective, the Transferor Companies and the Transferee Company shall execute all such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies or any other Governmental Authority to give formal effect to the above provisions. Corporate guarantees, if any, given by the Transferee Company to secure the borrowings of the Transferor Companies shall stand cancelled. Corporate guarantees, if any given by the Transferor Companies to secure the borrowings of the Transferee Company shall stand cancelled.

16.9 Upon the Scheme becoming effective, with effect from the Appointed Date, the Transferee Company shall be entitled to file/ revise return of income, statement of deduction/ collection of tax at source, certificates of tax deducted at source, and other statutory returns to the extent required for itself and/ or on behalf of the Transferor Companies, as the case may be, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Transferee Company shall be entitled to get credit/claim refunds, advance tax credits, credit of tax including minimum alternate tax, credit of tax deducted and collected at source, credit of foreign tax paid/ withheld, self-assessment tax, VAT, GST, customs duty, service tax, carry forward tax losses including unabsorbed depreciation and other statutory benefits etc., if any, for and / or on behalf of the Transferor Companies, as may be required consequent to the implementation of the Scheme notwithstanding that the certificates/ challans or other documents for payment of such taxes/duties are in the name of the Transferor Companies.

16.10 Upon the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts related to the Transferor Companies. All cheques, drafts, pay orders, direct and indirect Tax balances and/or payment advice of any kind or description issued in favour of the Transferor Companies, either before or after the Appointed Date, or in future, may be deposited with the bank of the Transferee Company.

17. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

17.1 Upon the Scheme being effective, with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or oblige thereto or there under.

17.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme becoming effective, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities and any other authorities as may be necessary in this behalf.

17.3 The Transferee Company, at any time after the Scheme taking effect in accordance with the provisions hereof, may without being obliged and if it so deems appropriate at its sole discretion, or if required under any Applicable Law, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies is a party in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

18. LEGAL PROCEEDINGS

18.1 All legal proceedings, including arbitration proceedings, of whatsoever nature by or against the Transferor Companies pending and/ or arising at or after the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.

18.2 Immediately after the Effective Date, the Transferee Company shall ensure to have all legal or other proceedings initiated by or against the Transferor Companies referred to in Clause 18.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company after the Effective Date.

19. EMPLOYEES

19.1 All the Employees, if any, of the Transferor Companies who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the Employees of the Transferee Company, without any break or interruption in service as a result of the amalgamation and on terms and conditions not less favorable than those on which they were engaged by the Transferor Companies immediately preceding the Effective Date. Services of the Employees of the Transferor Companies shall be taken into account from the date of their appointment with the Transferor Companies for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Companies shall also be taken into account.

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

PLUS AQUA LIMITED

RING? PLUS AQUA... MAINI PRECISION PRODUCTS LIMITED

19.2 The services of such Employees shall not be treated as being broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Companies.

19.3 The Transferor Companies shall not vary the terms and conditions of employment of any of its Employees except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Companies as the case may be, prior to the Effective Date.

19.4 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Companies pursuant to Applicable Laws or otherwise (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which pertains/ relates to the Employees of the Transferor Companies shall be transferred to separate funds of the Transferee Company for the benefit of the Employees of the Transferor Companies or be transferred to and merged with the similar funds, if any, of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above, the Transferee Company may, subject to necessary Governmental Approvals, continue to contribute to the relevant Funds of the Transferor Companies, until such time that the Transferee Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees of the Transferor Companies shall be transferred to the funds created by the Transferee Company. It is clarified that the services of the Employees of the Transferor Companies will be treated as having been continuous for the purpose of the said fund or funds.

20. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date to the Effective Date:

20.1 The Transferor Companies (severally) undertake to preserve and carry on their respective businesses, with reasonable diligence and business prudence and will not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any of their respective undertaking or any part thereof save and except in each case:

a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Tribunal; or

b) if the same is expressly permitted by this Scheme; or

c) if the prior written consent of the Board of Directors of the Transferee Company has been obtained.

20.2 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of, and in trust for the Transferee Company.

20.3 All profits and cash accruing to or losses arising or incurred (including the effect of Taxes if any thereon), by the Transferor Companies shall for all purposes, be treated as the ~~profits/~~ cash, taxes or losses of the Transferee Company.

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8703 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JK TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

PLUS AQUA LIMITED

RAJ PRECISION PRODUCTS LIMITED

20.4 All the assets and properties which are acquired by the Transferor Companies, on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 read with Section 66 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the Scheme becoming effective pursuant to the provisions of Sections 230 to 232 read with Section 66 and any other applicable provisions of the Act.

20.5 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies as on the Appointed Date, deemed to be transferred to the Transferee Company has been discharged by the Transferor Companies, after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same.

20.6 Without prejudice to Clauses 20.1 to 20.5 above, the Transferor Companies shall adhere to all pre-existing obligations in relation to their respective businesses and in connection with the transactions contemplated under this Scheme.

21. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of business under Clause 16 and the continuance of proceedings by or against the Transferor Companies above shall not affect any transaction or proceedings already concluded by the Transferor Companies on or before Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

22. TAXES

22.1 Upon the Scheme becoming effective, from the Appointed Date, all taxes payable by the Transferor Companies under the Applicable Laws shall be to the account of the Transferee Company. Similarly, all credits to be claimed pursuant to Applicable Laws including but not limited to minimum alternate tax on income of the Transferor Companies or obligation for tax deduction and collection at source on any payment made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with by the Transferee Company if so, made by the Transferor Companies. Similarly, all credits for tax deduction and collection at source on income of the Transferor Companies, or obligation for deduction and collection of tax at source on any payment made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with by the Transferee Company if so, made by the

Transferor Companies. Similarly, any advance tax payment required to be made by the specified due dates in the Tax Laws shall also be deemed to have been made by the Transferee Company if so made by the Transferor Companies, notwithstanding that the certificates/ challans or other documents for payment of such taxes/duties are in the name of Transferor Companies. Any refunds/ credit under the Tax Laws due to the Transferor Companies consequent to assessments made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

22.2 Upon the Scheme becoming effective, with effect from the Appointed Date, any TDS withheld / TCS collected, TDS/ TCS deposited, TDS/ TCS certificates issued or TDS/ TCS returns filed by the Transferor Companies shall continue to hold good as if such TDS/ TCS amounts were withheld / collected and deposited, TDS/ TCS certificates were issued, and TDS/ TCS returns were filed by the Transferee Company.

22.3 Upon the Scheme becoming effective, with effect from the Appointed Date, any GST/ customs duty collected/ deposited, GST/ customs duty returns filed by the Transferor Companies shall continue to hold good as if such GST/ customs duty amounts were collected/ deposited, and GST/ customs duty returns were filed by the Transferee Company.

22.4 Further any tax holiday/ deduction/ exemption/ carried forward losses enjoyed by the Transferor Companies under the IT Act or any other Applicable Laws would be transferred to the Transferee Company subject to provisions of IT Act.

22.5 On or after the Effective Date, the Transferor Companies and the Transferee Company are expressly permitted to revise its returns along with prescribed forms, filings and annexures under the Applicable Laws including the IT Act (including for the purpose of re-computing tax on book profits and claiming other Tax benefits) even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum, and to claim refunds and/or credits for taxes paid, and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme from the Appointed Date.

22.6 Upon the Scheme becoming effective, with effect from the Appointed Date, all tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Companies, pending or arising as at the Effective Date, shall be continued and/ enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by the reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in this Scheme.

22.7 Upon the Scheme becoming effective, with effect from the Appointed Date, all the expenses incurred by the Transferor Companies and the Transferee Company in relation to the amalgamation of the Transferor Companies with the Transferee Company as per this Scheme, including stamp duty expenses and / or transfer charges, if any, shall be allowed as deduction to Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective.

22.8 Upon the Scheme becoming effective, with effect from the Appointed Date, all the deductions otherwise admissible to the Transferor Companies, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (like Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Transferee Company upon fulfilment of required conditions under the IT Act.

23. CONSIDERATION

23.1 Upon this Scheme becoming effective and upon amalgamation of the Transferor Companies into the Transferee Company in terms of this Scheme (including pursuant to the sequence set out in Clause 51), the Transferee Company shall, without any application, act or deed, issue and allot equity shares and compulsorily convertible preference shares, credited as fully paid up, to the extent and in the manner indicated below, to the members of Transferor Companies (other than the Transferee Company and Transferor Company 1) holding fully paid-up equity shares of Transferor Companies and whose names appear in the register of members or the BENPOS statement of the Transferor Companies upon effectiveness and operationalization of the Demerger 1, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Companies/ Transferee Company in the following proportion:

On amalgamation of Transferor Company 1 into Transferee Company
"Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

In the event that the New Equity Shares 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 1 (other than itself), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

On amalgamation of Transferor Company 2 into Transferee Company
"One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"One Lakh and Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to all the shareholders of MPPL (other than RPAL and JKTTL) proportionately basis their shareholding in MPPL."

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

JK PRECISION PRODUCTS LIMITED

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

"One Lakh and Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to all the shareholders of MPPL (other than RPAL and JKTTL) proportionately basis their shareholding in MPPL."

(CCPS to ``be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

In the event that the New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 2 (other than RPAL (which shall stand dissolved), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

23.2 New Equity Shares 2, New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Transferee Company (including such Articles of Association adopted on the Effective Date). New Equity Shares 2 and New Equity Shares 3 issued and allotted by the Transferee Company in terms of this Scheme shall rank pari-passu in all respects with the existing equity shares of the Transferee Company including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Transferee Company. The terms of these New CCPS 1 and New CCPS 2 has been specified in the Schedule VI and Schedule VII respectively.

23.3 The investment held by the Transferee Company in the equity share capital of the Transferor Companies shall, without any further application, act, instrument or deed stand cancelled.

23.4 The consideration in the form of New Equity Shares 2, New Equity Shares 3, New CCPS 1 and New CCPS 2 shall be issued and allotted by the Transferee Company in dematerialized form to all the shareholders of the Transferor Companies.

23.5 In the event that the Transferee Company and the Transferor Companies restructure their share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share exchange ratio as per Clause 23.1 above shall be adjusted accordingly to take into account the effect of any such corporate actions.

23.6 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Companies, the Board of the Transferor Companies shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the transferor or transferee of shares in the Transferor Companies.

24. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY ON AMALGAMATION OF TRANSFEROR COMPANY 1

Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the amalgamation of Transferor Company 1 in its books of accounts by applying the principles prescribed in Indian Accounting Standard 103, Business Combinations, Appendix C - Business combinations of entities under common control and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under section 133 of the Act and the relevant clarifications issued by the ICAI

25. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY ON AMALGAMATION OF TRANSFEROR COMPANY 2

Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the amalgamation of Transferor Company 2 in its books of accounts by applying the principles prescribed in Indian Accounting Standard 103, Business Combinations, Appendix C - Business combinations of entities under common control and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under section 133 of the Act and the relevant clarifications issued by the ICAI.

26. COMBINATION OF AUTHORISED SHARE CAPITAL

26.1 Upon the Scheme becoming effective and pursuant to Amalgamation under this Part D, the authorized share capital of the Transferee Company shall automatically stand increased without any further act or deed on the part of the Transferee Company, including payment of Stamp Duty and Registrar of Companies fees, by the authorized share capital of the Transferor Company 1 amounting to INR 30,00,00,000/- (Indian Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of INR 10/- (Indian Rupees Ten only) and by the authorized share capital of the Transferor Company 2 amounting to INR 40,50,00,000/- (Indian Rupees Forty Crores and Fifty Lakhs only) divided into 6,00,00,000 (Six Crores) Equity Shares of INR 2/- (Indian Rupees Two only) each and 2,85,00,000 (Two Crores and Eighty Five Lakhs) Compulsory Convertible Preference Shares of INR 10/- each (Indian Rupees Ten only) each and the Memorandum of Association and Articles of Association of the Transferee Company accordingly shall without any further act or deed be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company shall be deemed to have been obtained for the purposes of effecting this amendment, and no further resolution(s) under Section 13, Section 61 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies towards its authorized share capital shall be utilized and applied to the increased authorized share capital of the Transferee Company and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital and, accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorized share capital so increased.

26.2 Pursuant to the Scheme and after the Scheme becomes effective, the authorized share capital of the Transferee Company will be INR 1,27,06,37,000/- (Indian Rupees One Hundred and Twenty Seven Crores Six Lakhs and Thirty Seven Thousand only) divided into 4,85,63,700 (Four Crore Eighty Five Lakhs Sixty

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MANI PRECISION PRODUCTS LIMITED

Three Thousand and Seven Hundred) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each and 78,50,000 (Seventy Eight Lakhs and Fifty Thousand) Preference Shares of INR 100/- (Indian Rupees Hundred only) each.

26.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company shall respectively stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company:

"The Authorized Share Capital of the Company is INR 1,27,06,37,000/- (Indian Rupees One Hundred and Twenty Seven Crores Six Lakhs and Thirty Seven Thousand only) divided into 4,85,63,700 (Four Crore Eighty Five Lakhs Sixty Three Thousand and Seven Hundred) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each and 78,50,000 (Seventy Eight Lakhs and Fifty Thousand) Preference Shares of INR 100/- (Indian Rupees Hundred only) each."

27. DISSOLUTION OF THE TRANSFEROR COMPANIES WITHOUT WINDING UP

On the coming into effect of the Scheme and upon transfer and vesting of assets and liabilities to the Transferee Company, the Transferor Companies shall stand dissolved (and each of its share capital shall stand cancelled), without being wound up and without requiring any further act, instrument or deed from the Transferee Company and/or the Transferor Companies.

28. CHANGE OF NAME OF THE RESULTING COMPANY 1

28.1 Upon this Scheme becoming effective, the name of the Resulting Company 1 shall stand changed to "JK Maini Precision Technology Limited" or such other name which is available and approved by the ROC, by simply filing the requisite forms with the relevant Governmental Authority, unless already effected prior to the effectiveness of the Scheme, and no separate act, procedure, instrument, or deed shall be required to be followed under the Act. Consequently, the existing name of the Resulting Company 1 wherever it occurs in the memorandum of association and articles of association of the Resulting Company 1 shall be substituted by "JK Maini Precision Technology Limited".

NOTARY A. P. PANCHE Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

28.2 Consequently, subject to Clause 28.1 above,

Clause I of the Memorandum of Association of the Resulting Company 1 shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following Clause:

"The name of the Company is JK Maini Precision Technology Limited."

28.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 28.1 and 28.2, the consent of the shareholders of the Resulting Company

RAY GLOBAL CONSUMER ENTERPRISE LIMITED — JKFEL TOOLS AND TECHNOLOGIES LIMITED — JK FILES & ENGINEERING LIMITED — RING PLUS AQUA LIMITED — MAINI PRECISION PRODUCTS LIMITED

1 to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

29. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Transferor Companies as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

NOTARY
A. P. PANDEY
Dombivali Thane
Maharashtra
GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

PART E

CANCELLATION AND REDUCTION OF PAID-UP SHARE CAPITAL OF THE RESULTING COMPANY 1

30. CANCELLATION AND REDUCTION OF PAID-UP SHARE CAPITAL OF THE RESULTING COMPANY 1

30.1 Upon the Scheme becoming effective and upon the allotment of New Equity Shares 1 by the Resulting Company 1 to the shareholders of the Demerged Company 1 and allotment of New Equity Shares 2, New Equity Shares 3, New CCPS 1 and New CCPS 2 to the shareholders of the Transferor Companies (other than Transferor Company 1 and Transferee Company) in accordance with provisions of Clause 11 and Clause 22 above, the existing paid up equity share capital of the Resulting Company 1 as of immediately prior to the Effective Date shall stand cancelled without any further act or deed immediately and without any consideration and accordingly, the paid up share capital of the Resulting Company 1 shall stand reduced to the extent of face value of such equity shares cancelled.

30.2 The amount of paid-up equity share capital of the Resulting Company 1 cancelled as per Clause 30.1 above shall be credited to the capital reserve account in the books of the Resulting Company 1.

30.3 The cancellation and reduction in paid up share capital of the Resulting Company 1 shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 230 to 232 read with Section 66 of the Act and any other applicable provisions of the Act. The reduction would not involve either a diminution in liability in respect of the unpaid share capital, it being clarified that the procedure under Section 66 of the Act shall not be applicable in view of the Explanation to Section 230(12) of the Act. Notwithstanding the reduction in the equity share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.

NOTARY
GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

JK PRECISION PRODUCTS LIMITED

PART F

DEMERGER OF THE AEROSPACE BUSINESS UNDERTAKING FROM THE DEMERGED COMPANY 2 INTO THE RESULTING COMPANY 2

31. TRANSFER AND VESTING OF AEROSPACE BUSINESS UNDERTAKING OF THE DEMERGED COMPANY 2 INTO THE RESULTING COMPANY 2

31.1 Upon the Scheme becoming effective, with effect from the Appointed Date, the Aerospace Business Undertaking of the Demerged Company 2 shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 read with Section 66 of the Act and all other Applicable Laws, without any further act or instrument, deed, matter or thing be transferred to and vested in the Resulting Company 2 on a 'going concern' basis.

31.2 Without prejudice to the generality of Clause 31.1 above, upon the Scheme becoming effective, with effect from the Appointed Date, the Aerospace Business Undertaking of the Demerged Company 2 as a going concern, including

(I) all the assets, property, rights, titles and benefits, whether movable or immovable, real or personal, present or contingent, in possession or reversion or otherwise, corporeal or incorporeal, tangible or intangible including without limitation

(a) all property, manufacturing facilities and all structures standing thereon, equipments, buildings, the fixed and movable plant and machinery, furniture and fixtures, electrical installations, vehicles, computers, communication devices, offices and retail stores , if any;

(b) all capital work in progress including all property, plant and equipments and all investment properties, if any;

(c) all investment properties including land, buildings, the fixed and movable furniture and fixtures, office, plant and machinery, electrical installations and equipments, computers, communication devices, if any;

(d) all intangible assets and all intangible assets under development including computer softwares, if any;

(e) all investments including investment in joint ventures, partnership firms of joint ventures, capital investment in partnership firms, associations of persons, mutual funds, if any;

(f) all other financial assets including fixed deposits with banks (including bank account number), if any;

(g) all deferred tax assets, if any;

(h) all land and building (whether owned, leased, licensed or otherwise under the possession of the Aerospace Business Undertaking as specified in Schedule VIII), if any;

(i) current assets including finished goods, stock in trade, trade receivables, bills, credits, loans and advance, if any, whether recoverable in cash or kind or for value to be received, investments, reserves, cash and bank balances (including bank account number) and deposits with any government, quasi – government, local or other authority or body or with company or other person, funds, permissions, tax assets including benefits and credits under income tax, service tax / sales tax / value added tax / GST / excise duty and / or any other statues, incentives, if any;

(j) all other current and non-current assets including capital advances, security deposits, advances to vendors, advances recoverable in cash or kind, balance with government authorities, contract assets, prepaid expenses, if any;

(k) business licenses, permits, lease, tenancy rights, letters of intent, authorizations, registrations, intellectual property rights such as copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever relating to the Aerospace Business Undertaking, if any;

(l) privileges, liberties, easements, advantages, benefits and approvals, deposits, advance and other taxes paid to the authorities, if any;

(m) consent, approvals or powers of every kind and description, agreements, software license, domain/ website etc., applications, statutory permissions, consents and registrations or approvals obtained from relevant authorities, if any;

(II) all debts, liabilities, duties and obligations of any kind, nature or description, secured or unsecured, current or non-current, whether provided for or not, including contingent liabilities.

shall pursuant to the Order of the NCLT and pursuant to provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Act and without any notice, intimation, and without any further act, instrument or deed, but subject to the charges affecting the same, be vested in the Resulting Company 2 so as to become the properties and liabilities (as the case may be) of the Resulting Company 2.

31.3 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of all the assets of the Aerospace Business Undertaking of the Demerged Company 2 of whatsoever nature and where so ever situated and incapable of passing by manual delivery and/or endorsement or otherwise however, shall, under the provisions of Sections 230 to 232 read with Section 66 and all other applicable provisions of the Act, without any further act or deed be transferred to and vested in and/or deemed to be transferred to and vested in the Resulting Company 2 so as to vest in the Resulting Company 2 all the rights, title and interest of Aerospace Business Undertaking of the Demerged Company 2 therein.

31.4 Upon this Scheme becoming effective and with effect from the Appointed Date, all Intellectual Property Rights of the Demerged Company 2 related to the Aerospace Business ("Aerospace Intellectual Property Rights"), if any, shall without any requirement of any further act or assignment deed stand transferred and vested in the Resulting Company 2. This Scheme shall serve as a requisite consent for use and transfer of Aerospace Intellectual Property Rights, if any, without requiring the execution of any further assignment deed or any other deed or document so as to transfer of the said Aerospace Intellectual Property Rights in favour of the Resulting Company 2. Further, as decided by the Board of the Demerged Company 2, for procedural purposes it may execute an assignment deed, if required for the purpose of transfer of Aerospace Intellectual Property Rights pursuant to this Scheme.

31.5 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of all the movable assets of the Aerospace Business Undertaking of the Demerged Company 2, the assets which are otherwise capable of transfer by physical delivery or endorsement and/ or delivery, including cash on hand, shall be so transferred to the Resulting Company 2, and deemed to have been physically handed over by physical delivery or by endorsement and/ or delivery, as the case may be, to the Resulting Company 2 to the end and intent that the property and benefit therein passes to the Resulting Company 2 without requiring any separate deed, instrument, or writing for the same.

31.6 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of the movable properties, if any, of the Aerospace Business Undertaking of the Demerged Company 2, other than those specified in Clause 31.3 to Clause 31.5 above and any intangible assets including sundry debtors, outstanding loans and advances, outstanding debts, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, the Resulting Company 2 may itself or require the Demerged Company 2 (and the Demerged Company 2 shall upon such requisition from the Resulting Company 2), at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, give notices in such form as it may deem fit and proper, to each person, debtors or depositors, as the case may be, that pursuant to the NCLT having sanctioned the Scheme, the said debt, outstanding loans and advances, outstanding deposit be paid or made good or held on account of the Resulting Company 2 as the person entitled and intent thereto to the end and intent that the right of the Demerged Company 2 to recover or realize all such debts (including the debts payable by such persons or depositors to the Demerged Company 2) stands transferred and assigned to the Resulting Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid change.

31.7 Upon the Scheme becoming effective, with effect from the Appointed Date, in respect of the immovable properties, if any, of the Aerospace Business Undertaking of the Demerged Company 2, whether or not included in the books of the Demerged Company 2, whether freehold or leasehold/licensed and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in the Resulting Company 2, without any act or deed done by the Demerged Company 2 and/ or the Resulting Company 2. With effect from the Appointed Date, the Resulting Company 2 shall be entitled to exercise all rights and privileges and be liable to pay lease rent/license fees, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/assignment of title or rights to the immovable properties in the name of the Resulting Company 2 shall be made and duly recorded by the appropriate authorities or the concerned lessors/licensors pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of the Resulting Company 2.

31.8 Upon the Scheme becoming effective, with effect from the Appointed Date, loans, advances and other obligations if any, due or which may at any time in future become due between the Aerospace Business Undertaking of the

Demerged Company 2 and the Resulting Company 2 shall stand cancelled and there shall be no liability in that behalf on either party.

31.9 Upon the Scheme becoming effective, with effect from the Appointed Date, subject to Applicable Law, all the Governmental Approvals, statutory licenses, permissions or approvals or consents, required to carry on the Aerospace Business Undertaking of the Demerged Company 2 shall stand vested in or transferred to the Resulting Company 2 without any further act or deed and shall be appropriately mutated by the authorities concerned in favour of the Resulting Company 2. The benefit of all Governmental Approvals, statutory licenses, permissions or approvals or consents shall vest in and shall be in full force and effect against or in favour of the Resulting Company 2 and may be enforced as fully and effectually as if instead of the Demerged Company 2, the Resulting Company 2 had been the party thereto or the beneficiary or oblige thereof pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, if any, granted by any Government Authority pursuant to Applicable Law or by any other person, or availed of by the Demerged Company 2, as the case may be, the same shall vest with and be available to the Resulting Company 2 on the same terms and conditions.

31.10 Upon the Scheme becoming effective, with effect from the Appointed Date, all debts, liabilities, contingent liabilities, present or future, duties and obligations, secured or unsecured, whether known or unknown, contingent/ potential Tax liabilities of the Aerospace Business Undertaking shall, pursuant to the applicable provisions of the Act, stand transferred to and be vested in the Resulting Company 2, without any act or deed done by the Demerged Company 2 and/ or the Resulting Company 2. Further, Resulting Company 2 shall undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. Further, for the avoidance of doubt, it is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

31.11 Upon the Scheme becoming effective, with effect from the Appointed Date, the Demerged Company 2 may, at its sole discretion but without being obliged to give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Aerospace Business Undertaking stands transferred to and vested in the Resulting Company 2 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.

31.12 Unless otherwise agreed to between the Board of the Demerged Company 2 and the Resulting Company 2, the vesting of all the assets of the Demerged Company 2 forming part of the Aerospace Business Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Aerospace Business Undertaking of the Demerged Company 2 or part thereof on or over which they are subsisting on and vesting of such assets in the Resulting Company 2 and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company 2. Any reference in any security documents or arrangements (to which the Demerged Company 2 is a party) related to any assets of Demerged Company 2 shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company 2. Similarly, Resulting Company 2 shall not be required to create any additional security over assets vested under this Scheme for any loans, deposits or other financial assistance already availed of/ to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company 2 shall not extend or be deemed to extend or apply to the assets so vested.

31.13 In so far as any Encumbrance in respect of liabilities pertaining to the Aerospace Business Undertaking is concerned, such Encumbrance shall without any further act, instrument, or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company 2. For the avoidance of doubt, it is hereby clarified that, in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the liabilities pertaining to the Aerospace Business Undertaking is concerned, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Aerospace Business Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company 2 pursuant to this Scheme and which shall continue with the Demerged Company 2, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

31.14 Upon the Scheme becoming effective, taxes, if any, paid or payable by Demerged Company 2 after Appointed Date and specifically pertaining to Aerospace Business Undertaking shall be treated as paid or payable by the Resulting Company 2 and the Resulting Company 2 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

31.15 Upon the Scheme becoming effective, the Demerged Company 2 and/ or the Resulting Company 2 shall have the right to revise their respective financial statements, income-tax returns, tax deducted at source returns, GST returns and other statutory return along with prescribed forms, filing and annexure under Tax Laws even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum and to claim refunds, credit of the tax deducted and collected at source, credit of minimum alternative tax, credit of foreign taxed paid/ withheld, carry forward of tax losses, credit in respect of sales tax, value added tax, service tax, goods and serviced tax and other indirect tax etc., and for the matters incidental thereto, if required to give effect to the provisions of the Scheme. It is further clarified that the Resulting Company 2 shall be entitled to claim deduction under section 43B, section 40A, section 40 of the IT Act in respect of unpaid liabilities transferred to it as part of the Aerospace Business Undertaking to the extent not claimed by Demerged Company 2.

31.16 Upon the Scheme becoming effective, with effect from the Appointed Date, any refund under the Tax Laws due to Demerged Company 2 pertaining to the Aerospace Business Undertaking consequent to the assessments made on Demerged Company 2 and for which no credit is taken in the accounts of the

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

M. PRECISION PRODUCTS LIMITED

Demerged Company 2 as on the date immediately preceding the Appointed Date shall belong to and be received by the Resulting Company 2.

31.17 Upon the Scheme becoming effective, with effect from the Appointed Date, any TDS withheld / TCS collected, TDS/ TCS deposited, TDS/ TCS certificates issued or TDS/ TCS returns filed by the Demerged Company 2 relating to the Aerospace Business Undertaking shall continue to hold good as if such TDS/ TCS amounts were withheld / collected and deposited, TDS/ TCS certificates were issued, and TDS/ TCS returns were filed by the Resulting Company 2.

31.18 Upon the Scheme becoming effective, with effect from the Appointed Date, any GST/ customs duty collected/ deposited, GST/ customs duty returns filed by the Demerged Company 2 relating to the Aerospace Business Undertaking shall continue to hold good as if such GST/ customs duty amounts were collected/ deposited, and GST/ customs duty returns were filed by the Resulting Company 2.

31.19 Notwithstanding anything contained in this Clause:

(i) any unutilized GST credits pertaining to the Aerospace Business Undertaking shall be transferred by the Demerged Company 2 to the Resulting Company 2, respectively in accordance with Applicable Laws. The Demerged Company 2 and Resulting Company 2 shall be entitled to take such actions as may be necessary under Applicable Law to effect such transfer; and

(ii) GST credits and GST liability pertaining to the activities or operations of the Aerospace Business Undertaking between the Appointed Date and the Effective Date shall be dealt with in accordance with Applicable Laws.

31.20 On and from the Effective Date, all cheques and other negotiable instruments and payments order received or presented for encashment which are in the name of the Demerged Company 2 and are in relation to or in connection with the Aerospace Business Undertaking, shall be accepted by the bankers of the Resulting Company 2 and credited to the account of Resulting Company 2, if presented by Resulting Company 2.

32. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

32.1 Upon the Scheme being effective, with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature and which are subsisting or have effect immediately before the Effective Date and relating to the Aerospace Business Undertaking of the Demerged Company 2, shall continue in full force and effect on or against or in favor of, as the case may be, the Resulting Company 2 and may be enforced as fully and effectually as if, instead of the Demerged Company 2, the Resulting Company 2 had been a party or beneficiary or oblige thereto or there under.

32.2 The Resulting Company 2, at any time after the Scheme taking effect in accordance with the provisions hereof, may without being obliged and if it so deems appropriate at its sole discretion, or if required under any Applicable Law, execute deeds of confirmation or other writings or arrangements with any party

NOTARY GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

to any contract or arrangement to which the Demerged Company 2 is a party in order to give formal effect to the provisions of this Scheme. The Resulting Company 2 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company 2 to carry out or perform all such formalities or compliances, referred to above, on behalf of the Demerged Company 2.

33. LEGAL PROCEEDINGS

33.1 All legal proceedings, including arbitration proceedings, of whatsoever nature by or against the Demerged Company 2 pending and / or arising at or after the Appointed Date, as and from the Effective Date and relating to the Aerospace Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Resulting Company 2 in the manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company 2.

33.2 After the Appointed Date, if any proceedings are taken against the Demerged Company 2 in respect of the matters referred in the Clause 33.1 above, the Demerged Company 2 shall defend the same in accordance with advice and instructions of the Resulting Company 2 at the cost of the Resulting Company 2, and the Resulting Company 2 shall reimburse and indemnify the Demerged Company 2 against all liabilities and obligations incurred by the Demerged Company 2 in respect thereof.

33.3 Immediately after the Effective Date, the Resulting Company 2 shall ensure to have all legal or other proceedings initiated by or against the Demerged Company 2 in relation to the Aerospace Business Undertaking referred to in Clause 33.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company 2 after the Effective Date.

34. EMPLOYEES

34.1 All the Employees of the Aerospace Business Undertaking, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the Employees of the Resulting Company 2, without any break or interruption in service as a result of the demerger and on terms and conditions not less favorable than those applicable to them with reference to the Aerospace Business Undertaking immediately preceding the Effective Date. Services of the Employees of the Aerospace Business Undertaking shall be taken into account from the date on which the Demerged Company 2 recognizes service of such Employee (including pursuant to this Scheme) for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Resulting Company 2 further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services of such Employee (i.e., from the date on which the Demerged Company 2 recognizes service (including pursuant to this Scheme) shall also be taken into account).

34.2 The services of such Employees shall not be treated as being broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other

NOTARY GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

statutory purposes and for all purposes will be reckoned from the date on which the Demerged Company 2 recognizes such service (including pursuant to this Scheme).

34.3 The Demerged Company 2 shall not vary the terms and conditions of employment of any of the Employees of the Aerospace Business Undertaking except in the ordinary course of business or without the prior consent of the Resulting Company 2 or pursuant to any pre-existing obligation undertaken by the Demerged Company 2 as the case may be, prior to the Effective Date.

34.4 In so far as the existing provident fund, gratuity fund and pension and/ or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company 2 pursuant to Applicable Laws or otherwise (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which pertains/ relates to the Employees of the Aerospace Business Undertaking of the Demerged Company 2 shall be transferred to separate funds of the Resulting Company 2 for the benefit of the Employees of the Aerospace Business Undertaking of the Demerged Company 2 or be transferred to and merged with the similar funds, if any, of the Resulting Company 2. In the event that the Resulting Company 2 does not have its own funds in respect of any of the above, the Resulting Company 2 may, subject to necessary Governmental Approvals, continue to contribute to the relevant Funds of the Demerged Company 2, until such time that the Resulting Company 2 creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees of the Aerospace Business Undertaking of the Demerged Company 2 shall be transferred to the funds created by the Resulting Company 2. It is clarified that the services of the Employees of the Aerospace Business Undertaking of the Demerged Company 2 will be treated as having been continuous for the purpose of the said fund or funds.

34.5 Any question that may arise as to whether any employee belongs to or does not belong to the Aerospace Business Undertaking shall be decided by Board of Directors of the Demerged Company 2.

35. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date to the Effective Date:

(a) the Demerged Company 2 shall carry on, and shall be deemed to have carried on, all the business, activities and operations relating to the Aerospace Business Undertaking, and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the assets, properties and liabilities of the Aerospace Business Undertaking, on account of and/ or on behalf of and/ or for the benefit of and / or in trust for, the Resulting Company 2.

(b) the Demerged Company 2 shall not without the prior written consent of the Board of Directors of the Resulting Company 2 or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to the Aerospace Business Undertaking or any part thereof except in the ordinary course of its business.

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAYMOND CONSUMER ENTERPRISE LIMITED
JK TOOLS AND TECHNOLOGIES LIMITED
JK FILES & ENGINEERING LIMITED
RING PLUS AQUA LIMITED
PRECISION PRODUCTS LIMITED

(c) the Demerged Company 2 shall not vary the terms and conditions of service of its permanent employees relating to the Aerospace Business Undertaking or recruit any new employees except in the ordinary course of its business or as per past prevailing practices.

(d) the Resulting Company 2 shall be entitled, pending sanction of the Scheme, to apply to the relevant Governmental Authority as necessary under any Applicable Law for such Governmental Approval, which the Resulting Company 2 may require to carry on the business of Aerospace Business Undertaking. Further, the Demerged Company 2 shall extend all assistance to the Resulting Company 2, if requested by the Resulting Company 2, in obtaining the said Governmental Approvals.

(e) Taxes, if any, paid or payable by the Demerged Company 2 specifically pertaining to the Aerospace Business Undertaking shall be treated as paid or payable by the Resulting Company 2 and the Resulting Company 2 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable. The Demerged Company 2 shall not claim credit of the same. All the profits or incomes accruing or arising and all expenditure or losses arising or incurred (including all Taxes, if any, paid or accruing in respect of any profits and income) by the Demerged Company 2 in relation to the Aerospace Business Undertaking shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes, or as the case may be, expenditure or losses (including Taxes) of, the Resulting Company 2.

(f) Without prejudice to sub-clauses (a) to (e) of this Clause 35, the Demerged Company 2 shall adhere to all pre-existing obligations in connection with the transactions contemplated under this Scheme.

Any of the rights, powers, authorities and privileges attached or related or pertaining to the Aerospace Business Undertaking and exercised by or available to the Demerged Company 2, shall be deemed to have been exercised for and on behalf of and as an agent for the Resulting Company 2. Further, any of the obligations, duties and commitments attached, relating or pertaining to the Aerospace Business Undertaking that have been undertaken or discharged by the Demerged Company 2 shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company 2.

36. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Aerospace Business Undertaking as above and the continuance of proceedings by or against the Demerged Company 2 in relation to the Aerospace Business Undertaking shall not affect any transaction or proceedings already concluded till the Effective Date in accordance with this Scheme, to the end and intent that the Resulting Company 2 accepts and adopts all acts, deeds and things done and executed by the Demerged Company 2 in respect thereto as done and executed on behalf of the Resulting Company 2.

37. CONSIDERATION

37.1 Upon the Scheme becoming effective and upon vesting of the Aerospace Business Undertaking of the Demerged Company 2 into the Resulting Company 2 in accordance with this Scheme (including pursuant to the sequence set out in Clause 51), the Resulting Company 2 shall, without any further application or deed, issue and allot to the shareholders of the Demerged Company 2 whose name appears in the register of members or BENPOS Statement of the Demerged Company 2 immediately after effectiveness of Demerger 1 and Amalgamation, or to their respective heirs, executors, administrators, legal representatives or the successors in title, as the case may be as may be recognized by the Board of Directors of the Resulting Company 2, in the following proportion:

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity shares of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up.

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

In the event that the New Equity Shares 4, New CCPS 3 and New CCPS 4 to be issued result in fractional entitlement to the shareholders of Demerged Company 2, the Board of Resulting Company 2 shall round off such fractional entitlements to the nearest integer.

37.2 The Resulting Company 2 shall take necessary steps to increase, alter, or re-classify, if necessary, its authorized share capital suitably to enable it to issue and allot the New Equity Shares 4, New CCPS 3 and New CCPS 4 required to be issued and allotted by it under this Scheme.

37.3 The consideration to be issued and allotted under Clause 37.1 of the Scheme shall be in accordance with the Applicable Laws and regulations in force and contractual/ other arrangement between parties, if any.

37.4 New Equity Shares 4 to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Resulting Company 2 (including the Articles of Association of the Resulting Company 2 adopted as of the Effective Date). New Equity Shares 4 issued and allotted by the Resulting Company 2 in terms of this Scheme shall rank pari-passu in all respects with the existing shares of the Resulting Company 2 including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company 2. The terms of these New CCPS

3 and New CCPS 4 has been specified in the Schedule IX and Schedule X respectively.

37.5 The approval of this Scheme by the shareholders of the Resulting Company 2 shall be deemed to be due compliance of the provisions of section 42, section 62, if applicable, and all the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares 4, New CCPS 3 and New CCPS 4 by the Resulting Company 2 to the shareholders of the Demerged Company 2, as provided in this Scheme.

37.6 The consideration in the form of New Equity Shares 3 shall be issued and allotted by the Resulting Company 2 in dematerialized form to all the shareholders of the Demerged Company 2.

37.7 In the event that the Demerged Company 2 and the Resulting Company 2 restructure their share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share exchange ratio, per Clause 37.1 above; shall be adjusted accordingly to take into account the effect of any such corporate actions.

37.8 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company 2, the Board of the Demerged Company 2 shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the transferor or transferee of shares in the Demerged Company 2.

38. ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY 2 AND THE RESULTING COMPANY 2

38.1 **In the books of the Demerged Company 2**

Notwithstanding anything to the contrary contained herein, the Demerged Company 2 shall account for the demerger of Aerospace Business Undertaking in its books of accounts in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, as may be amended from time to time and on the date as determined under Ind AS. The accounting in the books of accounts of the Demerged Company 2 is as follows:

- The Demerged Company 2 shall derecognise assets (including movable assets and immovable assets) and liabilities pertaining to the Aerospace Business Undertaking transferred to and vested in the Resulting Company 2.
- The excess of the carrying amount of assets transferred over the carrying amount of liabilities transferred shall be adjusted with retained earnings.

38.2 **In the books of the Resulting Company 2**

Notwithstanding anything to the contrary contained herein, the Resulting Company 2 shall account for the acquisition of the Aerospace Business Undertaking in its books of accounts by applying the principles prescribed in

NOTARY A. P. PANDEY Dombivli Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAYMOND CONSUMER ENTERPRISE LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

Indian Accounting Standard 103, Business Combinations, Appendix C - Business combinations of entities under common control and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under section 133 of the Act and the relevant clarifications issued by the ICAI.

39. CHANGE OF NAME OF THE RESULTING COMPANY 2

39.1 Upon this Scheme becoming effective, the name of the Resulting Company 2 shall stand changed to "JK Maini Global Aerospace Limited" or such other name which is available and approved by the ROC, by simply filing the requisite forms with the relevant Governmental Authority, unless already effected prior to the effectiveness of the Scheme, and no separate act, procedure, instrument, or deed shall be required to be followed under the Act. Consequently, the existing name of the Resulting Company 2 wherever it occurs in the memorandum of association and articles of association of the Resulting Company 2 shall be substituted by "JK Maini Global Aerospace Limited".

39.2 Consequently, subject to Clause 39.1 above,

Clause I of the Memorandum of Association of the Resulting Company 2 shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following Clause:

"The name of the Company is JK Maini Global Aerospace Limited."

39.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 39.1 and 39.2, the consent of the shareholders of the Resulting Company 1 to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

40. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme, the resolutions of the Demerged Company 2 in relation to the Aerospace Business Undertaking as are considered necessary by the Board of Directors of the Resulting Company 2 which are validly subsisting be considered as resolutions of the Resulting Company 2. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Resulting Company 2, shall be added to the limits, if any, under the like resolutions passed by the Resulting Company 2.

41. REMAINING UNDERTAKING OF THE DEMERGED COMPANY 2

41.1 The Remaining Undertaking of the Demerged Company 2 and all the assets, properties, rights, liabilities and obligations thereto shall continue to belong to and be vested in and be managed by the Demerged Company 2 and the Resulting Company 2 shall have no right, claim or obligation in relation to the Remaining

Undertaking of the Demerged Company 2. From the Appointed Date, the Demerged Company 2 shall carry on the activities and operations of the Remaining Undertaking of the Demerged Company 2 distinctly and as a separate business from the Aerospace Business Undertaking. It is hereby clarified that the Demerged Company 2 shall continue to have the right, title, interest in and the right to license the Non-Aerospace Intellectual Property Rights for all businesses whether or not currently undertaken by the Demerged Company 2.

41.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company 2 under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case pertaining to the Remaining Undertaking of the Demerged Company 2 shall be continued and enforced by or against the Demerged Company 2 after the Effective Date. The Resulting Company 2 shall in no event be responsible or liable in relation to any such legal or other proceeding against the Demerged Company 2.

41.3 With effect from the date of approval of this Scheme by the Board of Directors of the Demerged Company 2 and the Resulting Company 2 and up to, including and beyond the Effective Date, the Demerged Company 2:

(i) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Remaining Undertaking of the Demerged Company 2 for and on its own behalf; and

(ii) all profits accruing to the Demerged Company 2 thereon or losses arising or incurred by it relating to the Remaining Undertaking of the Demerged Company 2 shall for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company 2.

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JK TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

RONI PRECISION PRODUCTS LIMITED

PART G

CANCELLATION AND REDUCTION OF PAID-UP SHARE CAPITAL OF THE RESULTING COMPANY 2

42. CANCELLATION AND REDUCTION OF PAID-UP SHARE CAPITAL OF THE RESULTING COMPANY 2

42.1 Upon the Scheme becoming effective and upon the allotment of New Equity Shares 4 by the Resulting Company 2 to the shareholders of the Demerged Company 2 and allotment of New CCPS 3 and New CCPS 4 to the shareholders of the Demerged Company 2 in accordance with provisions of Clause 36 above, the existing paid up equity share capital of the Resulting Company 2 as of immediately prior to the Effective Date shall stand cancelled without any further act or deed immediately and without any consideration and accordingly, the paid up share capital of the Resulting Company 2 shall stand reduced to the extent of face value of such equity shares cancelled.

42.2 The amount of paid-up equity share capital of the Resulting Company 2 cancelled as per Clause 42.1 above shall be credited to the capital reserve account in the books of the Resulting Company 2.

42.3 The cancellation and reduction in paid up share capital of the Resulting Company 2 shall be effected as an integral part of the Scheme in accordance with the provisions of Sections 230 to 232 read with Section 66 of the Act and any other applicable provisions of the Act. The reduction would not involve either a diminution in liability in respect of the unpaid share capital, it being clarified that the procedure under Section 66 of the Act shall not be applicable in view of the Explanation to Section 230 (12) of the Act. Notwithstanding the reduction in the equity share capital of the Resulting Company 2, the Resulting Company 2 shall not be required to add "And Reduced" as suffix to its name.

PART H

GENERAL TERMS AND CONDITIONS

43. INCREASE IN AUTHORIZED SHARE CAPITAL OF RESULTING COMPANY 1

43.1 Simultaneously with Part B of this Scheme coming into effect on the Effective Date, the authorized share capital of Resulting Company 1 of INR 1,00,000/- (Indian Rupees One Lakh only) divided into 10,000 (Ten Thousand) Equity Shares of INR 10/- (Indian Rupees Ten only) each and in terms of Clause V of its Memorandum of Association shall stand enhanced to INR 56,56,37,000/- (Indian Rupees Fifty Six Crores Fifty Six Lakhs Thirty Seven Thousand only) divided into 65,63,700 (Sixty Five Lakhs Sixty Three Thousand and Seven Hundred) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each and 50,00,000 (Fifty Lakhs) Preference Shares of INR 100/- (Indian Rupees Hundred only) each and without any further act or deed by the Resulting Company 1 for purpose of such enhancement of the authorized share capital of the Resulting Company 1 except payment of necessary stamp duties and ROC fees.

43.2 Subsequent to enhancement of the authorized share capital of the Resulting Company 1 as contemplated under Clause 43.1 above, the authorized share capital of the Memorandum of Association (Clause V) of the Resulting Company 1 shall stand modified and read as follows:

"The authorized share capital of the Company is INR 56,56,37,000 (Indian Rupees Fifty Six Crores Fifty Six Lakhs Thirty Seven Thousand only) divided into 65,63,700 (Sixty Five Lakhs Sixty Three Thousand and Seven Hundred) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each and 50,00,000 (Fifty Lakhs) Preference Shares of INR 100/- (Indian Rupees Hundred only) each"

43.3 Pursuant to the effectiveness of this Scheme, the Resulting Company 1 shall make the requisite filings with the ROC and pay the necessary fees for the increase in its authorized share capital in the manner set out in this Clause 43.

43.4 It is hereby clarified that for the purposes of Clauses 43.1 and 43.2 of Part H above, the consent of the shareholders of the Resulting Company 1 to this Scheme shall be deemed to be sufficient for the purposes of effecting amendment in the authorized share capital of the Resulting Company 1 and consequential amendments in Clause V of its Memorandum of Association, and all actions taken in accordance with this Clause 43 of Part H of this Scheme shall be deemed to be in full compliance of Sections 13, 14, 61 and 64 of the Act and other applicable provisions of the Act and that and/ or any other applicable provisions of the Act, would be required to be separately passed or undertaken by the Resulting Company 1.

NOTARY GOVT. OF INDIA

44. INCREASE IN AUTHORIZED SHARE CAPITAL OF RESULTING COMPANY 2

RAY GLOBAL CONSUMER ENTERPRISE LIMITED | JKFS TOOLS AND TECHNOLOGIES LIMITED | JK FILES & ENGINEERING LIMITED | RING PLUS AQUA LIMITED | MAINI PRECISION PRODUCTS LIMITED

44.1 Simultaneously with Part F of this Scheme coming into effect on the Effective Date, the authorized share capital of Resulting Company 2 of INR 5,00,000 (Indian Rupees Five Lakhs only) divided into 50,000 (Fifty Thousand) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each in terms of Clause V of its Memorandum of Association shall stand enhanced to INR 13,32,00,000/- (Indian Rupees Thirteen Crore Thirty Two Lakhs only) divided into 1,04,70,000 (One Crore Four Lakh Seventy Thousand) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each and 2,85,000 (Two Lakhs and Eight Fifty Thousand) Preference Shares having face value of INR 100/- (Indian Rupees Hundred only) each and without any further act or deed by the Resulting Company 2 for purpose of such enhancement of the authorized share capital of the Resulting Company 2 except payment of necessary stamp duties and ROC fees.

44.2 Subsequent to enhancement of the authorized share capital of the Resulting Company 2 as contemplated under Clause 44.1 above, the authorized share capital of the Memorandum of Association (Clause V) of the Resulting Company 2 shall stand modified and read as follows:

"The authorized share capital of the Company is INR 13,32,00,000/- (Indian Rupees Thirteen Crore Thirty Two Lakhs only) divided into 1,04,70,000 (One Crore Four Lakh Seventy Thousand) Equity Shares having face value of INR 10/- (Indian Rupees Ten only) each and 2,85,000 (Two Lakhs and Eight Fifty Thousand) Preference Shares of INR 100/- (Indian Rupees Hundred only) each."

44.3 Pursuant to the effectiveness of this Scheme, the Resulting Company 2 shall make the requisite filings with the ROC and pay the necessary fees for the increase in its authorized share capital in the manner set out in this Clause 44.

44.4 It is hereby clarified that for the purposes of Clauses 44.1 and 44.2 of Part H above, the consent of the shareholders of the Resulting Company 2 to this Scheme shall be deemed to be sufficient for the purposes of effecting amendment in the authorized share capital of the Resulting Company 2 and consequential amendments in Clause V of its Memorandum of Association, and all actions taken in accordance with this Clause 44 of Part H of this Scheme shall be deemed to be in full compliance of Sections 13, 14, 61 and 64 of the Act and other applicable provisions of the Act and that and/ or any other applicable provisions of the Act, would be required to be separately passed or undertaken by the Resulting Company 2.

45. APPLICATION TO NCLT

45.1 The Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 shall make all necessary applications/ petitions under Sections 230 to 232 read with Section 66 of the Act and other applicable provisions of the said Act to the NCLT for sanction of this Scheme under the provisions of the law.

45.2 The Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the preamble as mentioned hereinabove.

45.3 Even after the Scheme becomes effective, the Resulting Company 1/ Transferee Company/ Demerged Company 2 and/ or Resulting Company 2 may approach the NCLT, the Hon'ble National Company Law Appellate Tribunal, or any other court or authority competent to exercise jurisdiction in relation to the Scheme, for any incidental order(s) to remove any deficiency or overcome any difficulty in implementation of the Scheme or clear any ambiguity or to comply with any statutory requirements which necessitates the order of the NCLT.

46. MODIFICATION OR AMENDMENTS TO THE SCHEME

46.1 Subject to approval of the NCLT, Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 by their respective Board or any duly authorized committee may make or consent to any modifications or amendments to the Scheme, or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the respective Board or committees, including withdrawal of this Scheme and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

46.2 If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(19AA) read with section 2(41A) or Section 2(1B) of the IT Act with respect to the Demerger or Amalgamation, respectively, at a later date, including as a result of any amendment of law or for any other reason whatsoever, the provisions of Section 2(19AA) read with section 2(41A) or Section 2(1B) of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) read with section 2(41A) or Section 2(1B) of the IT Act. Such modifications shall however not affect the other parts of the Scheme.

46.3 The Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 shall be at liberty to withdraw from this Scheme, in case any condition or alteration is/ are imposed by the NCLT or any other authority is unacceptable to them or otherwise if so mutually agreed.

46.4 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 or any other duly authorized committee thereof are authorized severally to give such directions including directions for settling any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

47. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

RAYMOND CONSUMER CARE... ENTERPRISE LIMITED JK TOOLS AND TECHNOLOGIES LIMITED JK FILES & ENGINEERING LIMITED RING PLUS AQUA LIMITED MAINI PRECISION PRODUCTS LIMITED

(i) Receipt of such other approvals including approvals of any Government Authority as may be necessary under Applicable Laws or under any material contract to make this Scheme effective;

(ii) Certified or authenticated copy of the Order(s) of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 as may be applicable;

(iii) The Scheme shall be effective on the effective date. However, failure of any one part of the Scheme for lack of necessary approval from the shareholders/ statutory/ regulatory authorities or for any other reason that the Board may deem fit then this shall result in the whole Scheme failing;

48. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clauses not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the Order not being passed as aforesaid before 31 December 2025 or within such further period or periods as may be agreed upon between the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 by their respective Board (and which the Board of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

49. IMPLEMENTATION OF THE SCHEME

49.1 It is hereby clarified that submission of this Scheme to the Tribunal and to the Governmental Authorities for their respective approvals is without prejudice to all rights, interests, titles or defenses that the Parties may have under or pursuant to all Applicable Law.

49.2 On the approval/ deemed approval of this Scheme by the shareholders of the Parties and such other classes of persons relating to the Parties, if any, such shareholders and classes of persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable to all the matters related or arising pursuant to the Scheme.

49.3 It is hereby clarified that the effectiveness and implementation of Part B, Part C, Part D, Part E, Part F and Part G of the Scheme is dependent on each other and are integral parts of the Scheme and the Scheme shall not take effect if any of the part does not take effect.

50. NON-RECEIPT OF APPROVALS AND WITHDRAWAL OF THIS SCHEME

NOTARY A. P. PANDEY Govt. of India

JK Consumer Enterprise Limited

JK Tools and Technologies Limited

JK Files & Engineering Limited

Rino Plus Aqua Limited

Precision Products Limited

50.1 Any Party shall be at liberty to withdraw from this Scheme at any time as may be mutually agreed in writing between the Parties.

50.2 In the event the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before such date as may be agreed to by the Parties, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme unless otherwise mutually agreed.

50.3 In the event of withdrawal of the Scheme, except as otherwise agreed between the Parties no rights and liabilities whatsoever shall accrue to or be incurred inter se the Parties or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

51. SEQUENCE OF COMING INTO EFFECT OF THIS SCHEME

51.1 On the sanction of the Scheme and upon the Scheme becoming effective, the following shall be deemed to become effective and operative in the sequence and in the order mentioned hereunder:

(i) Demerger of the Engineering Business Undertaking from the Demerged Company 1 into the Resulting Company 1 and the consequent issuance of New Equity Shares 1 by the Resulting Company 1 to all the shareholders of Demerged Company 1 in the manner set out in Part B of this Scheme;

(ii) Reduction and cancellation of the existing paid up redeemable preference share capital of the Demerged Company 1 as of immediately prior to the Effective Date in the manner set out in Part C of this Scheme;

(iii) Simultaneous amalgamation of Transferor Companies with the Transferee Company and the consequent issuance of New Equity Shares 2, New Equity Shares 3, New CCPS 1 and New CCPS 2 by the Transferee Company (other than itself) to all the shareholders (except RPAL and the Transferee Company) of the Transferor Companies in the manner set out in Part D of this Scheme;

(iv) Reduction and cancellation of the existing paid up share capital of the Resulting Company 1/Transferee Company/ Demerged Company 2 as of immediately prior to the Effective Date in the manner set out in Part E of this Scheme;

(v) Demerger of the Aerospace Business Undertaking from the Demerged Company 2 into the Resulting Company 2 and the consequent issuance of New Equity Shares 4, New CCPS 3 and New CCPS 4 by the Resulting Company 2 to all the shareholders of Demerged Company 2 in the manner set out in Part F of this Scheme; and

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JK TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RINO PLUS AQUA LIMITED

RAW PRECISION PRODUCTS LIMITED

(vi) Reduction and cancellation of the existing paid up share capital of the Resulting Company 2 as of immediately prior to the Effective Date in the manner set out in Part G of this Scheme.

51.2 The provisions contained in this Scheme are inextricable inter-linked with the other provisions and the Scheme constitutes an integral whole. Notwithstanding anything to the contrary contained herein, the present Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Board of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2.

51.3 If any clause of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of Board of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2, affect the validity or implementation of the other clause of this Scheme.

52. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2.

****

NOTARY GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JK TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

Schedule I
Intellectual Property Rights of Engineering Business Undertaking

EB - TRADEMARK - INDIA				
Sr. No.	Trademark	Application No.	Class	Validity Period
1	REJ	1178741	8	27/2/2033
2	SHER BRAND FILES	1178742	8	27/2/2033
3	"JK"DEVICE	1178743	8	27/2/2033
4	"JK"DEVICE	1178744	8	27/2/2033
5	WORKING MAN DEVICE	1178745	8	27/2/2033
6	J.K. FILES & TOOLS (WORKING MAN DEVICE)	1178746	8	27/2/2033
7	J.K. FILES & TOOLS	1178747	8	27/2/2033
8	J.K. FILES & TOOLS (TWO FILES & WORKING MAN DEVICE)	1178748	8	27/2/2033
9	J.K. FILES & TOOLS (SUNFLOWER & THREE FILES DEVICE)	1178749	8	27/2/2033
10	J.K. FILES & TOOLS	1178750	8	27/2/2033
11	JK FILES & TOOLS ("JK" DEVICE)	1178751	8	27/2/2033
12	JIK ("FILES" DEVICE)	1178752	8	27/2/2033
13	PREMU SCLSSORS FILES	1364442	8	6/16/2025
14	SOFT GRIP	1366648	8	6/24/2025
15	JK HANDTOOLS SAFT GRIP SCREW DRIVER (LABEL)	1400095	8	11/18/2025
16	JK ACTIVE HOME	1545932	8	4/2/2027
17	JK HAND TOOLS AND ACTIVE HOME	1545933	8	4/2/2027
18	STAR TWIST DRILLS	1561276	8	NA
19	HFL PREMIUM SCISSORS	1561277	8	23.5.27
20	JK FILES LABEL	3992768	8	11/5/2028
21	REJ	981011	8	2.1.31
22	SHER	981012	8	2.1.31
23	SHER	1152914	8	25/11/2032
24	SUNFLOWER WITH STEM	939827	8	17.7.30
25	SUNFLOWER WITH STEM	259420	8	16.9.24
26	JK (EYE LOGO)	754121	8	12.8.27
27	SWALLOW	259422	8	16.9.24
28	JK (EYE LOGO)	981013	8	1/2/2031
29	J.K. FILES &TOOLS	981014	8	2.1.31
30	JK MADE IN INDIA	938669	8	7/11/2030
31	JK MADE IN INDIA SUNFLOWER	987679	8	2.2.31
32	TWO FILES	939825	8	17.7.30
33	ROCK	259421	8	16.9.24
34	THREE FILES - JK FILES & TOOLS	939826	8	17.7.30
35	SUNFLOWER	1661610	8	3/5/2028
36	THREE FILES	1661609	8	3/5/2028
37	JK FILES & TOOLS	1661611	8	3/5/2028
38	THREE FILES - JK FILES & TOOLS (COLOUR LABEL)	1665752	8	17.3.28
39	SUNFLOWER - JK FILES & TOOLS (COLOUR LABEL-YELLOW/ORANGE)	1665751	8	17.3.28
40	JK SUPER DRIVE (VERTICAL)	2338289	8	25.5.32
41	JK	2338279	8	25.5.32
42	JK	2338281	8	25.5.32
43	JK SUPER DRIVE (HORIZONTAL)	2338283	8	25.5.32
44	JK SUPER DRIVE (HORIZONTAL)	2338285	8	25.5.32
45	JK SUPER DRIVE (VERTICAL)	2338287	8	25.5.32

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 7203 Exp. Dt. 21/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

46	JK SUPER DRIVE (VERTICAL)	2338288	7	25.5.32
47	SUPER DRIVE	2338290	7	25.5.32
48	SUPER DRIVE	2338291	8	25.5.32
49	YOUR SPEEDY EFFORTLESS TOOL	2338292	7	25.5.32
50	YOUR SPEEDY EFFORTLESS TOOL	2338293	8	25.5.32
51	JK	2442715	8	14/12/2032
52	SUPER DRIVE	2442717	8	14/12/2032
53	JK SUPER DRIVE (HORIZONTAL)	2442722	7	14/12/2032
54	JK SUPER DRIVE (HORIZONTAL)	2442723	8	14/12/2032
55	JK SUPER DRIVE (VERTICAL)	2442724	7	14/12/2032
56	JK SUPER DRIVE (VERTICAL)	2442725	8	14/12/2032
57	3 DIMENSIONAL VIEW OF A BOX (PLAIN) JKF	2568166	8	22.7.33
58	3 DIMENSIONAL VIEW OF A BOX JKF	2568167	8	22.7.33
59	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809578	7	11.9.24
60	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809579	8	11.9.24
61	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809580	16	11.9.24
62	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809581	35	11.9.24
63	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809582	7	11.9.24
64	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809583	8	11.9.24
65	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809584	16	11.9.24
66	WAQT BACHAYEIN. KHOOB KAMAYEIN	2809585	35	11.9.24
67	JK	2442714	7	14/12/2032
68	SUPER DRIVE	2442716	7	14/12/2032
69	YOUR SPEEDY EFFORTLESS TOOL	2442718	7	14/12/2032
70	YOUR SPEEDY EFFORTLESS TOOL	2442719	8	14/12/2032
71	JK	2442720	7	14/12/2032
72	JK	2442721	8	14/12/2032
73	JK UNO	5520633	8	7/7/2032
74	JK	2338278	7	NA
75	JK	2338280	7	NA
76	JK SUPER DRIVE (HORIZONTAL)	2338282	7	NA
77	JK SUPER DRIVE (HORIZONTAL)	2338284	7	NA
78	JK SUPER DRIVE (VERTICAL)	2338286	7	NA
79	Thunderbolt	5334675	7	NA

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. 01 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

EB - TRADEMARK - OVERSEAS					
Sr. No.	**Country**	**Mark**	**Application No.**	**Class**	**Validity**
1	SOUTH AFRICA	JK SUNFLOWER (LABEL)	2004/10657	8	29.6.24
2	KENYA	SUNFLOWER BRAND	25150	8	8.8.25
3	UNITED ARAB EMIRATES	SUNFLOWER & DEVICE	59459	8	20.3.24
4	CANADA	SUNFLOWER	1361746	8	13.8.25
5	SAUDI ARABIA	JK- SUNFLOWER (DEVICE)	90711	8	17.10.23
6	AFGHANISTAN	SUNFLOWER JK MADE IN INDIA	11109	8	12.5.24
7	ARGENTINA	SUNFLOWER J K ENGINEERS FILE	2818918/ 2581892	8	1.3.26
8	ARGENTINA	SUNFLOWER JK MADE IN INDIA	2781250	8	20.9.25
9	AUSTRALIA	SUNFLOWER BRAND J.K. FILES COMPANY	1450092	8	22.9.31
10	CANADA	SUNFLOWER (LABEL)	1361746/ 774419	8	13.8.25
11	CHINA	SUNFLOWER (WITH STEM) JK	2001040469	8	5/6/2031
12	CHINA	SUNFLOWER (WITHOUT STEM) JK	2001040470	8	5/6/2031
13	ECUADOR	SUNFLOWER JK MADE IN INDIA	120357	8	30.7.2032
14	FIJI	SUNFLOWER -JK FILES & TOOLS	668/2010	12	12.8.24
15	GUATEMALA	SUNFLOWER JK MADE IN INDIA	86225/43/184 37309/109/125	8	14.4.27
16	GUATEMALA	SUNFLOWER- JK FILES & TOOLS	2008-09417	8	25.2.30
17	GERMANY	SUNFLOWER- JK FILES & TOOLS	30 2008 024 292	8	30.4.28
18	HONG KONG	SUNFLOWER (WITH STEM) JK MADE IN INDIA	02348/2001	8	12.2.28
19	HONG KONG	SUNFLOWER (WITHOUT STEM) JK MADE IN INDIA	02349/2001	8	12.2.28
20	ITALY	SUNFLOWER	T02003C002819/ 1057399	8	27.10.23
21	MACAO - CHINA	SUNFLOWER (WITH STEM) JK MADE IN INDIA	13902	8	9.9.25
22	MACAO - CHINA	SUNFLOWER (WITHOUT STEM) JK MADE IN INDIA	13903	8	9.9.25
23	MEXICO	SUNFLOWER BRAND- JK & DESIGN	946992	8	11.7.28
24	MYANMAR	SUNFLOWER	1939/2004	8	12.3.25
25	NEW ZEALAND	SUNFLOWER BRAND J.K. FILES COMPANY	849741	8	22.9.31
26	NIGERIA	SUNFLOWER BRAND J K ENGINEERS FILES	61767	8	9.1.25
27	NIGERIA	SUNFLOWER JK HIGH QUALITY	71156	8	26.08.32
28	OAPI	SUNFLOWER JK HIGH QUALITY	3200103811	8	21.12.31
29	OAPI	SUNFLOWER JK MADE IN INDIA	3200103812	8	23.11.31
30	PAKISTAN	SUNFLOWER- JK FILES & TOOLS	248677	8	8.4.28
31	PANAMA	SUNFLOWER	70099	8	17.8.25
32	SUDAN	SUNFLOWER (LOGO)	53275	8	28.4.25
33	TANZANIA	SUNFLOWER	1525	8	3.5.31
34	NEPAL	SUNFLOWER	65681	8	23.2.25
35	UGANDA	SUNFLOWER LABEL	26602	8	26.4.31
36	URUGUAY	SUNFLOWER -JK FILES & TOOLS	391277	8	15.4.30
37	USA	SUNFLOWER -JK FILES & TOOLS	77/585.312 (PREVIOUS APPLN. NO 77/447.950 ON 14.04.08)	8	2.3.30

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

RING PRECISION PRODUCTS LIMITED

38	UGANDA	J.K.FILES & TOOLS-SUNFLOWER	27795	8	24.6.32
39	VENEZUELA	SUNFLOWER -JK FILES & TOOLS	13523	8	23.10.24
40	BANGLADESH	Sunflower- JK Files & Tools (word mark)	236726	8	NA
41	BANGLADESH	Sunflower- JK Made in India (word mark)	236727	8	NA
42	BANGLADESH	Sunflower (logo)	236728	8	NA
43	BANGLADESH	Sunflower JK files &Tools (label)	236729	8	NA
44	BANGLADESH	Sunflower JK files &Tools (label)	236730	8	NA
45	BANGLADESH	Sunflower JK files &Tools (label)	236731	8	NA
46	DRC	JK SUN FLOWER	15984/2011	8	
47	BANGLADESH	SUNFLOWER LABEL OF THREE FILES	53396	8	NA
48	BANGLADESH	SUNFLOWER AND JK MADE IN INDIA	53397	8	NA
49	JAPAN	JK SUNFLOWER (LOGO)	2021-047477	8	5/1/2032
50	MALAYSIA	JK SUNFLOWER	TM2021011519	8	4/21/2031
51	SINGAPORE	JK SUNFLOWER(LOGO)	40202109082Y	8	NA
52	THAILAND	SUNFLOWER	210113131	8	NA
53	VIETNAM	JK SUNFLOWER (LOGO)	4-2021-15350	8	NA
54	INDONESIA	JK SUNFLOWER(LOGO)	DID2021041444/ IDM001127821	8	6/19/2031
55	NIGERIA	SUNFLOWER	46808	8	NA
56	NIGERIA	SUNFLOWER JK MADE IN INDIA	21790	8	NA
57	SRI LANKA	SUNFLOWER JK MADE IN INDIA	101919	8	22/1/2021
58	ETHIOPIA	SUNFLOWER	FTM/7138/16	8	17/2/2023
59	SOUTH KOREA	JK SUNFLOWER(LOGO)	40-2021-114545	8	NA
60	KENYA	JK FILES & TOOLS SUNFLOWER LOGO	57570	8	24.6.25
61	TURKEY	SUNFLOWER (LOGO)	2023/043317 / 2023 043320	7 & 8	4/3/2033
62	BRAZIL	SUNFLOWER (LOGO)	819587427	8	6/20/2029
63	PHILLIPINES	JK FILES & TOOLS SUNFLOWER LOGO	4-2011-014397	8	9/6/2022
64	CONGO	JK SUNFLOWER	15984/2011	8	
65	CAMBODIA	JK SUNFLOWER(LOGO)	KH/86828/22	8	6/7/2031
66	SOUTH AFRICA	JK THREE FILES (LABEL)	2004/10658	8	29.6.24
67	EGYPT	J. K. FILES & TOOLS THREE FILES FINEST CUT	177145	8	11.7.25
68	NICARAGUA	J.K. THREE FILES	38395	8	23.8.28
69	KENYA	JK FILES & TOOLS THREE FILES	57569	8	24.6.25
70	UNITED ARAB EMIRATES	THREE FILES & DEVICE	59460	8	20.3.24
71	SAUDI ARABIA	JK- THREE FILES (DEVICE)	90710	8	28.11.23
72	AFGHANISTAN	THREE FILES J K MADE IN INDIA	11109	8	12.5.24
73	ARGENTINA	THREE FILES J K MADE IN INDIA	2781249	8	20.9.25
74	CHINA	THREE FILES JK	2001040471/2018121	8	6.9.2024
75	ECUADOR	THREE FILES J K MADE IN INDIA	120356	8	30.7.2032
76	GUATEMALA	J.K. ENGINEER'S THREE FILES FINEST CUT	2846	8	3.8.30
77	GUATEMALA	THREE FILES - JK MADE IN INDIA	2008-05160	8	5.7.30

RAY GLOBAL CONSUMER ENTERPRISE LIMITED · JKFEL TOOLS AND TECHNOLOGIES LIMITED · JK FILES & ENGINEERING LIMITED · RING PLUS AQUA LIMITED · MAINI PRECISION PRODUCTS LIMITED

NOTARY GOVT. OF INDIA

78	GUATEMALA	JK THREE FILES (LABEL)	2008-09416	8	21.4.30
79	HAITI	THREE FILES FINEST CUT	1228-G	8(6)	25.1.22
80	MACAO - CHINA	THREE FILES J K MADE IN INDIA	13904	8	9.9.25
81	NIGERIA	THREE FILES & JK MADE IN INDIA	55597	8	9.1.25
82	NIGERIA	THREE FILES FINEST CUT & THE MAN DEVICE	55596	8	9.1.25
83	OAPI	THREE FILES J K MADE IN INDIA	88224	8	26.1.28
84	OAPI	THREE FILES FINEST CUT (LABEL WITH MAN DEVICE)	88221	8	26.1.28
85	PAKISTAN	THREE FILES LOGO	496643	8	16.5.28
86	PAKISTAN	THREE FILES LABEL	496644	8	16.5.28
87	PANAMA	JK THREE FILES	70199	8	21.8.25
88	PORTUGAL	THREE FILES -JK FILES & TOOLS	436410	8	17.10.28
89	SINGAPORE	JK THREE FILES (LOGO)	40202109083R	8	19.4.31
90	SRI LANKA	THREE FILES J K MADE IN INDIA	101920	8	22.1.31
91	TURKEY	THREE FILES	200213671	6, 7 & 8	3.6.2032
92	UGANDA	THREE FILES LABEL	26603	8	26.4.31
93	UGANDA	JK FILES & TOOLS -THREE FILES FINEST CUT	27794	8	24.6.2033
94	USA	JK MADE IN INDIA THREE FILES CROWN DEVICE	77/585.393 (PREVIOUS APPLN. NO 77/448.213 ON 15.04.08)	8	13.10.29
95	VENEZUELA	THREE FILES & DESIGN	P182109	8	10.10.25
96	OAPI	THREE FILES LABEL IN BLACK AND WHITE	3 2016 02565	8	NA
97	FIJI	JK THREE FILES (LOGO)	NUMBER AWAITED	8(12)	NA
98	JAPAN	JK THREE FILES (LOGO)	2021-047475	8	12/10/2031
99	MALAYSIA	JK THREE FILES	TM2021011518	8	NA
100	PHILIPPINES	JK THREE FILES (LOGO)	4-2021-511695	8	22/8/2031
101	THAILAND	JK FILES AND TOOLS (LOGO) + THREE FILES (COMBINED)	210113125	8	4/6/2031
102	VIETNAM	JK THREE FILES	4-2021-13898	8	NA
103	HONDURAS	JK FILES & TOOLS - THREE FILES	37676-11	8	NA
104	INDONESIA	JK THREE FILES(LOGO)	DID2021041443	8	NA
105	SRILANKA	THREE FILES FINEST CUT	144557	8	NA
106	VENEZUELA	THREE FILES J K MADE IN INDIA	94-012025	8	NA
107	VENEZUELA	THREE FILES FINEST CUT	12027-94	8	NA
108	SOUTH KOREA	JK THREE FILES(LOGO)	40-2021-114546	8	NA
109	INDONESIA	JK THREE FILES(LOGO)	DID2022093361	8	NA
110	INDONESIA	THREE FILES FINEST CUT	DID2022093372	8	11/18/2032
111	TURKEY	THREE FILES (LOGO)	2023/043316	7 & 8	4/3/2033
112	BRAZIL	JK THREE FILES	819587443	8	6/22/2029
113	MEXICO	THREE FILES FINEST CUT	668512	8	
114	CAMBODIA	JK THREE FILES (LOGO)	KH/T/2021/98368	8	NA
115	CHINA	TWO FILES JK	2001040472	8	6.9.2024
116	MACAO - CHINA	TWO FILES JK MADE IN INDIA	13905	8	9.9.25
117	SRI LANKA	TWO FILES JK MADE IN INDIA	101923	8	22.1.31

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

118	TURKEY	TWO FILES (LOGO)	2023/043318 / 2023 043318	7 & 8	4/3/2033
119	INDONESIA	JK TWO FILES(LOGO)	DID2021041446	8	19/6/2031
120	OAP	TWO TUSK JK LABEL	88222	8	26.1.28
121	OAPI .	TWO TUSK PERFECT FILE- FINEST CUT	88223	8	26.1.28
122	OAPI .	TWO TUSK PERFECT FILE (COLOUR)	1895	8	17. 6.26
123	OAPI .	TWO TUSK PERFECT FILE	3201601896		17. 6.26
124	OAPI	TWO TUSK LABEL IN BLACK AND WHITE	3 2016 02564	8	NA
125	TANZANIA (ZANZIBAR)	HINDUSTAN PREMIUM SCISSORS	150/2007	8	5/3/2031
126	BANGLADESH	PREMIUM SCISSORS FILES (LOGO)+C23	236733	8	NA
127	BANGLADESH	SCISSORS (LABEL)	83800	8	NA
128	TANZANIA (TANGANYIKA)	HINDUSTAN PREMIUM SCISSORS FILES	T332486	8	NA
129	FIJI	PREMIUM SCISSORS/SCISSORS (LOGO)	NUMBER AWAITED	8(12)	NA
130	JAPAN	PREMIUM SCISSORS/SCISSORS (LOGO)	2021-047476	8	7/3/3032
131	PHILIPPINES	PREMIUM SCISSORS/SCISSORS (LOGO)	4-2021-511696	8	2/5/2032
132	SINGAPORE	SCISSORS/PREMIUM SCISSORS(LOGO)	40202109085U	8	NA
133	THAILAND	PREMIUM SCISSORS FILES	210113414	8	4/7/2031
134	VIETNAM	PREMIUM SCISSORS/SCISSORS	4-2021-15975	8	NA
135	INDONESIA	PREMIUM SCISSORS(LOGO)	DID2021041453	8	6/19/2031
136	SUDAN	SCISSORS BRAND		8	NA
137	TANZANIA - TANGANYIKA	HINDUSTAN PREMIUM SCISSORS FILES LABEL	150-07	8	NA
138	SOUTH KOREA	PREMIUM SCISSORS/SCISSORS(LOGO)	40-2021-114577	8	NA
139	CAMBODIA	PREMIUM SCISSORS/ SCISSORS (LOGO)	KH/86829/22	8	6/7/2031
140	EGYPT	J. K. FILES & TOOLS	177146	8	10.7.25
141	EGYPT	J K LOGO	177147	8	10.7.25
142	KENYA	J. K. LOGO	57571	8	24.6.25
143	AUSTRALIA	JK FILES COMPANY PERFECT FILE FINEST CUT	1450093	8	22.9.31
144	BRAZIL	JK (NEW LOGO)	909797890	7	8.11.26
145	CANADA	JK FILES & TOOLS	1389796	8	20.10.24
146	CHINA	JK (B/W)	13825300	7	14.4.25
147	CHINA	JK (B/W)	13825301	8	14.3.25
148	EU/ CTM	JK	12028502	7	31.7.23
149	EU / CTM	JK	12028502	8	31.7.23
150	FIJI	JK LOGO (B/W)	603/2013	7 (6)	30.10.27
151	FIJI	JK LOGO (B/W)	604/2013	8 (12)	30.10.27
152	GUATEMALA	JK EYE LOGO	2008-09464	8	1.2.30
153	HAITI	J.K. FILES & TOOLS	1229-G	8(6)	25.1.22
154	HONG KONG	JK (B/W)	302696248	7	6.8.23
155	HONG KONG	JK (B/W)	302696248	8	6.8.23
156	JAPAN	JK (B/W)	2013-064877	7	18.7.24
157	JAPAN	JK (B/W)	2013-064877	8	18.7.24
158	MALAYSIA	JK (B/W)	2013013668	7	1.10.23
159	MALAYSIA	JK (B/W)	2013013667	8	1.10.23

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

160	MYANMAR	JK MADE IN INDIA	1938/2004	8	12.3.25
161	NEW ZEALAND	J.K. FILES COMPANY PERFECT FILE FINEST CUT	849743	8	22.9.31
162	NIGERIA	JK HIGH QUALITY (LABEL)	60696	8	26.9.31
163	OAPI .	JK -(LABEL)	3201401109	7	20.3.24
164	OAPI	JK -(LABEL)	3201401109	8	20.3.24
165	PHILIPPINES	JK	4-2013-012048	7	19.6.24
166	PHILIPPINES	JK	4-2013-012048	8	19.6.24
167	SINGAPORE	JK (LABEL)	T1312679G	7	7.8.33
168	SINGAPORE	JK (LABEL)	T1312679G	8	7.8.33
169	TAIWAN	JK (B/W)	102056267	7,8	15.05.24
170	THAILAND	JK(LABEL) NEW	911196	8	9/29/20 23
171	TAIWAN	JK (B/W)	102056267	8	15.05.24
172	UGANDA	JK -LOGO	27796	8	24.6.203 3
173	VIETNAM	JK (B/W)	4-2013-23160	7	4.10.23
174	VIETNAM	JK (B/W)	4-2013-23160	8	4.10.23
175	INDONESIA	JK (B/W)	D00201304745 1	7	10.7.23
176	INDONESIA	JK (B/W)	D00201304745 2	8	10.7.23
177	BANGLADESH	JK Files and Tools (logo)	236732	8	NA
178	SUDAN	J.K. FILES	53275	8	28.4.25
179	FIJI	JK EYE LOGO	281/2021	12	7/12/20 35
180	JAPAN	JK EYE LOGO(LOGO)	2021-047478	8	12/10/2 031
181	MALAYSIA	JK EYE LOGO	TM2021011521	8	NA
182	PHILIPPINES	JK EYE LOGO (LOGO)	4-2021-511697	8	15/8/20 31
183	SINGAPORE	JK EYE LOGO(LOGO)	40202109084Q	8	4/19/20 31
184	THAILAND	JK FILES AND TOOLS (LOGO)	210113124	8	4/6/203 1
185	THAILAND	JK EYE LOGO	210113133	8	4/6/203 1
186	UGANDA	JK FILES & TOOLS	63226		NA
187	VIETNAM	JK EYE LOGO	4-2021-13901/ 450740		4/13/20 31
188	INDONESIA	JK EYE LOGO(LOGO)	DID202104145 6	8	19/6/20 31
189	INDONESIA	JK SHER	DID202104145 8	8	19/6/20 31
190	TAIWAN	JK (B/W)	10250267	8	NA
191	TANZANIA	JK MADE IN INDIA	1525	8	NA
192	THAILAND	JK (B/W)	911195	7	30/9/20 23
193	SOUTH KOREA	JK	40 - 1953185/ 40 - 2021 - 114574	8	27.12.20 32
194	CAMBODIA	JK EYE LOGO(LOGO)	KH/86830/22	8	6/7/203 1
195	UGANDA	JK FILES & TOOLS (BOX)	63220	8	26/10/2 025
196	UAE	JK MADE IN INDIA	49948/ 6180	8	6/26/20 24
197	UK	JK (LOGO)	UK0091202850 2	7	7/31/20 33
198	UK	JK (LOGO)	UK0091202850 2	8	7/31/20 33

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

199	FIJI	JK EYE LOGO	282/2021	13 (local class)	NA
200	SRI LANKA	THUNDER BOLT	260045	8	NA
201	INDONESIA	JK THUNDERBOLT(LOGO)	DID2021041459	8	NA
202	BRAZIL	SUPERDRIVE	907599028	7	11.8.26
203	BRAZIL	JK SUPERDRIVE SET	907598293	7	8.11.26
204	CHINA	SUPER DRIVE	13825417	7	6.5.25
205	CHINA	SUPER DRIVE	13825299	8	20.4.25
206	CHINA	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	13825302	7	7.5.25
207	CHINA	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	13825303	8	20.5.25
208	EU / CTM	SUPER DRIVE	12028544	8	31.7.23
209	EU / CTM	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	12028437	7	31.7.23
210	EU / CTM	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	12028437	8	31.7.23
211	FIJI	SUPER DRIVE	599/2013	7(6)	30.10.27
212	FIJI	SUPER DRIVE	600/2013	8(12)	30.10.27
213	FIJI	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	601/2013	7(6)	30.10.27
214	FIJI	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	602/2013	8(12)	30.10.27
215	HONG KONG	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	302696257	7	6.8.23
216	HONG KONG	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	302696257	8	6.8.23
217	JAPAN	SUPER DRIVE	2013-064880	7	18.7.24
218	JAPAN	SUPER DRIVE	2013-064880	8	18.7.24
219	JAPAN	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	2013-064876	7	18.7.24
220	JAPAN	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	2013-064876	8	18.7.24
221	MALAYSIA	SUPER DRIVE	2013013671	8	1.10.23
222	OAPI	JK SUPERDRIVE (LABEL)	3201401110	7	20.3.24
223	OAPI	JK SUPERDRIVE (LABEL)	3201401110	8	20.3.24
224	OAPI	SUPERDRIVE (WORD)	3201401111	7	20.3.24
225	OAPI.	SUPERDRIVE (WORD)	3201401111	8	20.3.24
226	PHILIPPINES	SUPER DRIVE	4-2013-012049	7	19.6.24
227	PHILIPPINES	SUPER DRIVE	4-2013-012049	8	19.6.24
228	PHILIPPINES	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	4-2013-012047	7	23.10.24
229	PHILIPPINES	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	4-2013-012047	8	23.10.24
230	SINGAPORE	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	T1312680J	7	7.8.33
231	SINGAPORE	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	T1312680J	8	7.8.33
232	SINGAPORE	SUPER DRIVE	T1312678I	7	7.8.33
233	SINGAPORE	SUPER DRIVE	T1312678I	8	7.8.33
234	TAIWAN	JK SUPERDRIVE	103069821	7,8	7.1.26
235	THAILAND	JK SUPERDRIVE	911194	8	29.9.23
236	THAILAND	JK SUPERDIRVE (LABEL)	911193	7	29.9.23
237	VIETNAM	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	4-2013-23159	7	4.10.23
238	VIETNAM	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	4-2013-23159	8	4.10.23

RAI GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RINO PLUS AQUA LIMITED

RAVINDRA PRECISION PRODUCTS LIMITED

239	BRAZIL	SUPER DRIVE	907599028	7	8.11.26
240	BRAZIL	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL	907598293	7	8.11.26
241	INDONESIA	SUPER DRIVE	D002013047453	7	10.7.23
242	INDONESIA	SUPER DRIVE	D002013047454	8	10.7.23
243	INDONESIA	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	D002013047455	7	7.10.23
244	INDONESIA	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	D002013047456	8	7.10.23
245	MALAYSIA	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	2013013670	7	1.10.23
246	MALAYSIA	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	2013013669	8	1.10.23
247	KENYA	JK SUPERDRIVE LABEL	102389	8	30.5.28
248	KENYA	JK SUPERDRIVE	102390	8	30.5.28
249	MYANMAR	JK SUPERDRIVE	T2021/004914	8	NA
250	MYANMAR	SUPERDRIVE	T2021/004913	8	NA
251	SRI LANKA	SUPERDRIVE	260046	8	NA
252	UGANDA	JK SUPERDRIVE LABEL	61883	8	13/6/2025
253	UGANDA	JK SUPERDRIVE	61884	8	13/6/2025
254	EU COUNTRIES	SUPER DRIVE	12028544	7	NA
255	TAIWAN	SUPER DRIVE	10250266	7	NA
256	TAIWAN	SUPER DRIVE	10250266	8	NA
257	TAIWAN	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	102056268	7	NA
258	TAIWAN	JK SUPERDRIVE – SPEEDY EFFORTLESS TOOL (B/W)	102056268	8	NA
259	TANZANIA	JK SUPERDRIVE	TZ/T/2018/1047	8	5/30/2025
260	TANZANIA	SUPERDRIVE	TZ/T/2018/1046	8	NA
261	THAILAND	SUPER DRIVE	911197	7	NA
262	THAILAND	SUPER DRIVE	911198	8	NA
263	VIETNAM	SUPER DRIVE	42013/23161	7	NA
264	VIETNAM	SUPER DRIVE	42013/23161	8	NA
265	SOUTH KOREA	JK SUPER DRIVE(LOGO)	40-2021-114583	8	27.12.2032
266	TURKEY	JK SUPER DRIVE Speedy Effortless Tool (LOGO)	2023/043320	7 & 8	8/8/2033
267	UK	JK SUPER DRIVE	UK00912028437	7	7/31/2033
268	UK	JK SUPER DRIVE	UK00912028437	8	7/31/2033
269	UK	SUPERDRIVE	UK00912028544	8	7/31/2033
270	CAMBODIA	JK SUPER DRIVE(LOGO)	KH/86831/22	8	6/7/2031

NOTARY
A. P. PANDEY
Dombivali Thane
Maharashtra
Regn. No. 6203
GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

J.K. PRECISION PRODUCTS LIMITED

001357

JKFEL - Design			
Class	**Design**	**Design Certificate No.**	**Design Certificate Date**
09-03	Packaging Box	28077	9-Jan-14

JKFEL - Copyright		
Sr. No	**Title of Work -- Copyright**	**CR. Reg. No.**
1	TWO FILES WITH JK FILES & TOOLS	A-71761/2005
2	SUNFLOWER WITH JK FILES & TOOLS.	A-71767/2005
3	JK FILES & TOOLS IN A QUADRANGULAR DEVICE	A-71758/2005
4	JK IN AN OVAL DEVICE	A-71756/2005
5	THREE FILES	A-71764/2005
6	JK FILES & TOOLS	A-71751/2005
7	SUNFLOWER WITH DEVICE OF SUNFLOWER IN CIRCLE	A-80678/2007
8	SUPERDRIVE-SPEEDY EFFORTLESS TOOLS(COLOURED)	A-116564/2017
9	SUPERDRIVE-SPEEDY EFFORTLESS TOOLS (BLACK & WHITE)	A-116563/2017
10	JK SUPERDRIVE-SPEEDY EFFORTLESS TOOLS	A-116561/2017
11	SUPERDRIVE-SPEEDY EFFORTLESS TOOLS (BLACK &WHITE)(HORIZONTAL)	A-116562/2017
12	SUNFLOWER THREE FILES	2008-F-10109
13	SUNFLOWER WITH JK FILES & TOOLS WITH DEVICE OF SUNFLOWER & J.K.LOGO - GREEN LABEL	
14	SUNFLOWER WITH JK FILES & TOOLS WITH THREE FILES DEVICE	
15	JK SOFT GRIP	
16	THREE FILES - JK FILES & TOOLS (NEW LABEL)	
17	SUNFLOWER- JK FILES & TOOLS (NEW LABEL)	

NOTARY
A. P. PANDEY
Dombivali Thane
Maharashtra
Regn. No. 8203
Exp. Dt.
27/7/2025
GOVT. OF INDIA

CONSUMER ENTERPRISE LIMITED

JK TOOLS AND TECHNOLOGIES LIMITED JKFEL

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

RAINI PRECISION PRODUCTS LIMITED

Schedule II
Immovable Property of Demerged Company 1 associated with the Engineering Business Undertaking

Sr. No	State	Location / district	Nature of holding	Name of the entity holding the property	Plot No.	Address	Date of the lease/ license / sale deed	Term of the lease/ license	Purpose of land
1	Maharashtra	Chiplun	Leased	JK Files and Engineering Limited {Formally known as Raymond Wollen Mills Limited }	C-1/1	Plot No. C-1/1 in the Gane-Khadpoli Industrial Area, within the village limits of Khadpoli, Taluka Chiplun, District Ratnagiri measuring 35,022 square meters	17th May 2023	95 years commencing from 1 August 1987	Engineers Files and Tools Production
2	Maharashtra	Chiplun	Leased	JK Files and Engineering Limited {Formally known as JK Files (India) Limited }	R-2	Plot No. R2 in the Gane-Khadpoli Industrial Area, within the village limits of Khadpoli, Taluka Chiplun, District Ratnagiri measuring 13,617 square meters	6th December 1988	95 years commencing from 25 April 2003	Residential use
3	Gujarat	Valsad	Licensed	JK Files and Engineering Limited {Formally known as JK Files (India) Limited }	Survey No. 455	Land and building bearing the immovable industrial land consisting of constructed sheds admeasuring about 69246 square feet area, an open plot area of 3,547 square feet area and the parking space equivalent to 5,022 square feet aggregating to approximately 77,815 square	22nd August , 2019	NA	Industrial purpose for setting up business of manufacturing and selling of files and tools

						feet standing on land situated, lying and being at village Pariya, bearing Survey No. 455, Desai Falia, Village-Paria, Taluka-Pardi, District-Valsad within the registration district Valsad, Sub District Pardi- Gujarat 396145.			

NOTARY
GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

Schedule III
Intellectual Property Rights of Transferor Company 1

RPAL - Trademarks				
Sr. No.	**Application No.**	**Trademark**	**Class**	**Validity Period**
1	958282	RING PLUS AQUA LIMITED	7	25.09.2030
2	932977	RING+ AQUA INTEGERAL SHAFT WATER PUMP BEARINGS.	7	20.06.2030
3	5362893	RING AQUA – A RAYMOND GROUP COMPANY	7	09.03.2032
4	5362894	RING AQUA	7	09.03.2032

RPAL - Patent						
Sr. No.	**Application No.**	**Application date**	**Patent**	**Patent Number**	**Name of the Company**	**Validity**
1	(Application No. 1118/MUM/2013)	25-Mar-13	Sealing Device For Integral Shaft Bearings	343478	(1) Ring Plus Aqua Ltd. (2) Perfect Polymers	3/25/2033

NOTARY A. P. PANDEY Dombivali, Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAYMOND CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

RAYMOND PRECISION PRODUCTS LIMITED

Schedule IV
Immovable Property of Transferor Company 1

Sr. No	State	Location / district	Nature of holding	Name of the entity holding the property	Plot No.	Address	Date of the lease/ license / sale deed	Term of the lease/ license	Purpose of land
1	Maharashtra	Nashik	Leased	Ring Plus Aqua Limited {Formally known Aqua Bearing Limited }	A-41	Plot No. A-41, admeasuring 2,000 square meters, Nashik Sub Division Taluka and Panchayat Samiti Sinnar in Musalgaon Shivar, within the limits of the Mauje/Musalgaon Gram Panchayat in Gat Nos. 914 to 933 and 936, in Sinnar Taluka Industrial Cooperative Estate Limited in Taluka Sinnar, Nashik	12th July 1993	98 years commencing from 31 March 1993	To undertake the business of bearings
2	Maharashtra	Nashik	Leased	Ring Plus Aqua Limited {Formally known as Aqua Bearing Limited }	A-16 & 17	Plot Nos. A-16 and A-17, admeasuring 4,000 square meters, Nashik Sub Division Taluka and Panchayat Samiti Sinnar in Musalgaon Shivar, within the limits of the Mauje/Musalgaon Gram Panchayat in Gat No. 922(P) in Sinnar Taluka Industrial Cooperative Estate Limited in District Sinnar, Nashik	4th August , 1988	98 years commencing from 2 March 1987	To undertake the business of bearings

NOTARY A. C. PANDEY Dombivali Thane Maharashtra Regn. No. 9293 GOVT. OF INDIA

RAJ GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

3	Maharashtra	Nashik	Leased	Ring Plus Aqua Limited {Formally known as 'Ring Gears India Limited }	D-4	Plot No. D-4 in Gat No. 922 and 925 of Sinnar Taluka Industrial Co-operative Estate Limited within the limits of village Musalgaon and Taluka Sinnar and Taluka and Registration District, Nashik measuring 10,000 square meters	9th February, 1985	98 years from 8th September, 1984	Factory
4	Maharashtra	Nashik	Leased	Ring Plus Aqua Limited {Formally known as 'Ring Gears India Limited }	D-3	Plot No. D-3, admeasuring 10,000 square meters, Nashik Sub Division Taluka and Panchayat Samiti Sinnar in Musalgaon Shivar, within the limits of the Mauje/Musalgaon Gram Panchayat in Gat Nos. 914 to 933 and 936, in Sinnar Taluka Industrial Cooperative Estate Limited in District Sinnar, Nashik	6th April, 1992	98 years from 30 October 1991	To undertake the business of making engineering flywheel ring
5	Maharashtra	Nashik	Lease	Ring Plus Aqua Limited	115-1	Plot No. 115/1, Gat No. 914 to 933 and 936p measuring 23,800 square meters, Nashik Sattur Taluk	24th January, 2019	98 years from 10.05.2018	

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

RAYMOND PRECISION PRODUCTS LIMITED

Schedule V
Immovable Property of Transferor Company 2

Sr. No.	State	Location / district	Nature of holding	Name of the entity holding the property (in case such property is leased or licensed, please provide the owner of the property. In case the same is sub-leased or sub-licensed, please provide the names of the entity from which it is immediately taken, as well as the original owner)	Date of the lease/ license/ sale deed	Term of the lease/ license/expiry date	Purpose of property	Details of encumbrances, if any
1	Karnataka	Bangalore	Owned	Maini Precision Products Limited B-59, 2ND Cross ,1st Stage, Peenya Industrial Area	08-Apr-1991		Factory	Nil
2	Karnataka	Bangalore	Owned	Maini Precision Products Limited B-165, 3rd Cross ,1st Stage, Peenya Industrial Area	08-Apr-1991		Factory	Nil
3	Karnataka	Bangalore	Owned	Maini Precision Products Limited B-166, 3rd Cross ,1st Stage, Peenya Industrial Area	31-Jan-2005		Factory	Nil
4	Karnataka	Bangalore	Owned	Maini Precision Products Limited Behind B-165&B-166, 3rd Cross ,1st Stage, Peenya Industrial Area	27-Aug-2008		Factory & Office	Nil
5	Karnataka	Bangalore	Owned	Maini Precision Products Limited B-165-1, 3rd Cross ,1st Stage, Peenya Industrial Area	09-Dec-2015		Godown	Nil
6	Karnataka	Bangalore	Owned	Maini Precision Products Limited B-166-1, 3rd Cross ,1st Stage, Peenya Industrial Area	09-Dec-2015		Godown	Nil
7	Karnataka	Bangalore	Owned	Maini Precision Products Limited 5A, 5th A cross, Bommasandra Industrial Area	23-Jun-1999		Factory & Office	Nil
8	Karnataka	Bangalore	Owned	Maini Precision Products Limited 122C, Bommasandra Industrial Area	03-May-2005		Factory & Office	Nil
9	Karnataka	Bangalore	Owned	Maini Precision Products Limited E-2, Bommasandra	24-Jan-2011		Residencial Flat	Nil
10	Karnataka	Bangalore	Owned	Maini Precision Products Limited K-5, Bommasandra	24-Jan-2011		Residencial Flat	Nil

NOTARY A. P. PANDEY Dombivali Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAYMOND CONSUMER ENTERPRISE LIMITED

JK FILES & ENGINEERING LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

11	Karnataka	Bangalore	Owned	Maini Precision Products Limited 9-D, Peenya Industrial Area	04-Apr-2002		Residencial Flat	Nil
12	Karnataka	Bangalore	Owned	Maini Precision Products Limited 8-D, Peenya Industrial Area	09-Jan-2012		Residencial Flat	Nil
13	Karnataka	Bangalore	Leased	Gemini Dying & Printing Mills Ltd 16-B, Peenya Indl Area, 1st Phase	01-Nov-2017	31-Oct-2027	Factory	Nil
14	Karnataka	Bangalore	Leased	Om Industries, 77, Jigani Industrial Area	01-June-2019	31-May-2024	Factory	Nil
15	Karnataka	Bangalore	Leased	Smt. Latha G. B-163, 3rd Cross, 1st stage Peenya Industrial Area	01-Apr-2022	31-Mar-2025	Factory	Nil
16	Karnataka	Bangalore	Leased	GKS (India), 217, 4th Cross, 1st stage Peenya Industrial Area	01-Dec-2022	30-Nov-2025	Factory	Nil
17	Karnataka	Bangalore	Leased	United Press, 122A, Bommasandra Industrial Area	01-Dec-2018	30-Nov-2028	Factory	Nil
18	Karnataka	Bangalore	Leased	Maini Materials Movement Pvt Ltd, 122 D&E, Bommasandra Indl Area	01-Apr-2022	31-Mar-2028	Factory	Nil
19	Karnataka	Bangalore	Leased	Swan Silk, 169, Nelamangala	01-May-2018	31-Mar-2024	Factory	Nil
20	Karnataka	Bangalore	Leased	Lakshmi Machine Tool 108, Jigani Industrial Area	01-Jan-2021	31-Dec-2027	Factory	Nil
21	Karnataka	Bangalore	Leased	Gautam Maini, Villa No 55/56, Vaswani Whispering palms, Marathahalli	01-Apr-2022	31-Mar-2025	Office	Nil
22	Karnataka	Bangalore	Leased	603/604, Devatha Plaza Building, Residency Road, Bangalore-560025	30-Mar-2023	31-Aug-2028	Office	Nil

SCHEDULE VI
TERMS OF NEW CCPS 1 TO BE ISSUED BY RESULTING COMPANY 1

Sr. No.	Particulars	Terms
1	Face Value	Face value of per New CCPS 1 issued by Resulting Company 1 shall be INR 100 (Rupees One Hundred).
2	Rate of Dividend	0.01%, subject to deduction of taxes at source if applicable.
3	Instrument	Series A 0.01% Compulsorily Convertible Preference Shares.
4	Issuance Mode	Demat
5	Convertibility	Compulsorily convertible into equity shares of Resulting Company 1 of face value of INR 10 each.
6	Status	Unlisted
7	Accumulation of dividend	New CCPS 1 shall be non-cumulative and non-participating in nature.
8	Voting Rights	The holder of New CCPS 1 shall have the right to vote only on the matters set out in Section 47 of the Act in accordance with Section 47 of the Act.
9	Conversion Date	New CCPS 1 shall be automatically converted into equity shares of Resulting Company 1 on 31 March 2027 or such other date under specific circumstances as may be expressly specified and mutually agreed upon by the Resulting Company 1 and New CCPS 1 holders in written form.
10	Automatic adjustment	In the event any of the following corporate actions: (i) bonus issuance; (ii) stock split; or (iii) stock consolidation, would have occurred on or prior to conversion of New CCPS 1, conversion of New CCPS 1 into equity shares would automatically adjust to factor in occurrence of any of the aforementioned corporate actions such that there is no change in shareholding percentage in Resulting Company 1 in respect of the holders of New CCPS 1 before or after the aforesaid corporate actions.
11	Conversion Ratio	Conversion ratio of New CCPS 1 will be such that the New CCPS 1 holders are entitled to an additional 1% equity shares of Resulting Company 1 ('Resulting Company 1 First Additional Equity'). The parameters and mechanism for determining the conversion ratio for conversion of New CCPS 1 into equity shares of Resulting Company 1 shall be based on achievement of specified milestones. In case of overachievement/ shortfall in achievement of such milestones, the conversion ratio of New CCPS 1 will proportionately adjust the Resulting Company 1 First Additional Equity in such form and manner as may be mutually agreed between Resulting Company 1 and New CCPS 1 holders, in writing, provided that the adjustment of

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 3203 Exp. Dt. 27/7/2023 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

MAINI PRECISION PRODUCTS LIMITED

		the New CCPS 1 shall not exceed 2% equity shares of the Resulting Company 1.
12	Mutual agreement	In addition to terms set out above, the Resulting Company 1 and the holders of New CCPS 1 shall mutually agree, in writing, on detailed terms and conditions for the New CCPS 1. For the purpose of this Schedule VI, any act, which requires the consent, approval, and/or action for mutual agreement with any party, by the Resulting Company 1, shall only be valid if approved by the board of directors of the Resulting Company 1 (which includes the express approval of atleast any 1 director nominated by the majority shareholder of the Resulting Company 1).

NOTARY A. P. PANDEY Dombivali Thane Maharashtra Regn. No. 8203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED JKFEL TOOLS AND TECHNOLOGIES LIMITED JK FILES & ENGINEERING LIMITED RING PLUS AQUA LIMITED RENNI PRECISION PRODUCTS LIMITED

SCHEDULE VII
TERMS OF NEW CCPS 2 TO BE ISSUED BY RESULTING COMPANY 1

Sr. No.	Particulars	Terms
1	Face Value	Face value of per New CCPS 2 issued by Resulting Company 1 shall be INR 100 (Rupees One Hundred).
2	Rate of Dividend	0.01%, subject to deduction of taxes at source if applicable.
3	Instrument	Series B 0.01% Compulsorily Convertible Preference Shares
4	Issuance Mode	Demat
5	Convertibility	Compulsorily convertible into equity shares of Resulting Company 1 of face value of INR 10 each.
6	Status	Unlisted
7	Accumulation of dividend	New CCPS 2 shall be non-cumulative and non-participating in nature.
8	Voting Rights	The holder of New CCPS 2 shall have the right to vote only on the matters set out in Section 47 of the Act in accordance with Section 47 of the Act.
9	Conversion Date	New CCPS 2 shall be automatically converted into equity shares of Resulting Company 1 on 31 March 2029 or such other date under specific circumstances as may be expressly specified and mutually agreed upon by the Resulting Company 1 and New CCPS 2 holders in written form.
10	Automatic adjustment	In the event any of the following corporate actions: (i) bonus issuance; (ii) stock split; or (iii) stock consolidation, would have occurred on or prior to conversion of New CCPS 2, conversion of New CCPS 2 into equity shares would automatically adjust to factor in occurrence of any of the aforementioned corporate actions such that there is no change in shareholding percentage in Resulting Company 1 in respect of the holders of New CCPS 2 before or after the aforesaid corporate actions.
11	Conversion Ratio	Conversion ratio of the New CCPS 2 will be such that the New CCPS 2 holders are entitled to an additional 1% equity shares of Resulting Company 1 ('Resulting Company 1 Second Additional Equity'). The parameters and mechanism for determining the conversion ratio for conversion of New CCPS 2 into equity shares of Resulting Company 1 shall be based on achievement of specific milestones in writing. In case of overachievement/ shortfall in achievement of such milestones, the conversion ratio of New CCPS 2 will proportionately adjust the Resulting Company 1 Second Additional Equity in such form and manner as may be mutually agreed between the Resulting Company 1 and New CCPS 2 holders, in writing, provided that the adjustment of the New CCPS 2 shall not exceed 2% equity shares of the Resulting Company 1.

12.	Mutual agreement	In addition to terms set out above, the Resulting Company 1 and holders of New CCPS 2 shall mutually agree, in writing, on detailed terms and conditions for the New CCPS 2. For the purpose of this Schedule VII, any act, which requires the consent, approval, and/or action for mutual agreement with any party, by the Resulting Company 1, shall only be valid if approved by the board of directors of the Resulting Company 1 (which includes the express approval of atleast any 1 director nominated by the majority shareholder of the Resulting Company 1)

SCHEDULE VIII

Immovable Property of Demerged Company 2 associated with the Aerospace Business Undertaking

Sr. No.	State	Location / district	Nature of holding	Name of the entity holding the property (in case such property is leased or licensed, please provide the owner of the property. In case the same is sub-leased or sub-licensed, please provide the names of the entity from which it is immediately taken, as well as the original owner)	Date of the lease/ license/ sale deed	Term of the lease/ license/expiry date	Purpose of property	Details of encumbrances, if any
1	Karnataka	Bangalore	Owned	Maini Precision Products Limited 122C, Bommasandra Industrial Area	03-May-2005		Factory & Office	Nil
2	Karnataka	Bangalore	Leased	United Press, 122A, Bommasandra Industrial Area	01-Dec-2018	30-Nov-2028	Factory	Nil
3	Karnataka	Bangalore	Leased	Maini Materials Movement Pvt Ltd, 122 D&E, Bommasandra Indl Area	01-Apr-2022	31-Mar-2028	Factory	Nil

NOTARY ★ GOVT. OF INDIA

SCHEDULE IX
TERMS OF NEW CCPS 3 TO BE ISSUED BY RESULTING COMPANY 2

Sr. No.	Particulars	Terms
1	Face Value	Face value of per New CCPS 3 issued by Resulting Company 2 shall be INR 100 (Rupees One Hundred).
2	Rate of Dividend	0.01%, subject to deduction of taxes at source if applicable.
3	Instrument	Series A 0.01% Compulsorily Convertible Preference Shares.
4	Issuance Mode	Demat
5	Convertibility	Compulsorily convertible into equity shares of Resulting Company 2 of face value of INR 10 each.
6	Status	Unlisted
7	Accumulation of dividend	New CCPS 3 shall be non-cumulative and non-participating in nature.
8	Voting Rights	The holder of New CCPS 3 shall have the right to vote only on the matters set out in Section 47 of the Act in accordance with Section 47 of the Act.
9	Conversion Date	New CCPS 3 shall be automatically converted into equity shares of Resulting Company 2 on 31 March 2027 or such other date under specific circumstances as may be expressly specified and mutually agreed upon by the Resulting Company 2 and New CCPS 3 holders in written form.
10	Automatic adjustment	In the event any of the following corporate actions: (i) bonus issuance; (ii) stock split; or (iii) stock consolidation, would have occurred on or prior to conversion of New CCPS 3, conversion of New CCPS 3 into equity shares would automatically adjust to factor in occurrence of any of the aforementioned corporate actions such that there is no change in shareholding percentage in Resulting Company 2 in respect of the holders of New CCPS 3 before or after the aforesaid corporate actions.
11	Conversion Ratio	Conversion ratio of New CCPS 3 will be such that the New CCPS 3 holders are entitled to an additional 1% equity shares of Resulting Company 2 ('Resulting Company 2 First Additional Equity'). The parameters and mechanism for determining the conversion ratio for conversion of New CCPS 3 into equity shares of Resulting Company 2 shall be based on achievement of specified milestones. In case of overachievement/ shortfall in achievement of such milestones, the conversion ratio of New CCPS 3 will proportionately adjust the Resulting Company 2 First Additional Equity in such form and manner as may be mutually agreed between Resulting Company 2 and New CCPS 3 holders, in writing, provided that the adjustment of the New CCPS 3 shall not exceed 2% equity shares of the Resulting Company 2.

NOTARY A. P. PANDEY Dombivali, Thane Maharashtra Regn. No. 6203 Exp. Dt. 27/7/2025 GOVT. OF INDIA

JK CONSUMER ENTERPRISE LIMITED · JKFEL TOOLS AND TECHNOLOGIES LIMITED · JK FILES & ENGINEERING LIMITED · RING PLUS AQUA LIMITED · RAJ PRECISION PRODUCTS LIMITED

12	Mutual agreement	In addition to terms set out above, the Resulting Company 2 and the holders of New CCPS 3 shall mutually agree, in writing, on detailed terms and conditions for the New CCPS 3. For the purpose of this Schedule IX, any act, which requires the consent, approval, and/or action for mutual agreement with any party, by the Resulting Company 2, shall only be valid if approved by the board of directors of the Resulting Company 2 (which includes the express approval of atleast any 1 director nominated by the majority shareholder of the Resulting Company 2)

NOTARY GOVT. OF INDIA

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

SCHEDULE X
TERMS OF NEW CCPS 4 TO BE ISSUED BY RESULTING COMPANY 2

Sr. No.	Particulars	Terms
1	Face Value	Face value of per New CCPS 4 issued by Resulting Company 2 shall be INR 100 (Rupees One Hundred).
2	Rate of Dividend	0.01%, subject to deduction of taxes at source if applicable.
3	Instrument	Series B 0.01% Compulsorily Convertible Preference Shares
4	Issuance Mode	Demat
5	Convertibility	Compulsorily convertible into equity shares of Resulting Company 2 of face value of INR 10 each.
6	Status	Unlisted
7	Accumulation of dividend	New CCPS 4 shall be non-cumulative and non-participating in nature.
8	Voting Rights	The holder of New CCPS 4 shall have the right to vote only on the matters set out in Section 47 of the Act in accordance with Section 47 of the Act.
9	Conversion Date	New CCPS 4 shall be automatically converted into equity shares of Resulting Company 2 on 31 March 2029 or such other date under specific circumstances as may be expressly specified and mutually agreed upon by the Resulting Company 2 and New CCPS 4 holders in written form.
10	Automatic adjustment	In the event any of the following corporate actions: (i) bonus issuance; (ii) stock split; or (iii) stock consolidation, would have occurred on or prior to conversion of New CCPS 4, conversion of New CCPS 4 into equity shares would automatically adjust to factor in occurrence of any of the aforementioned corporate actions such that there is no change in shareholding percentage in Resulting Company 2 in respect of the holders of New CCPS 4 before or after the aforesaid corporate actions.
11	Conversion Ratio	Conversion ratio of the New CCPS 4 will be such that the New CCPS 4 holders are entitled to an additional 1% equity shares of Resulting Company 2 ('Resulting Company 2 Second Additional Equity'). The parameters and mechanism for determining the conversion ratio for conversion of New CCPS 4 into equity shares of Resulting Company 2 shall be based on achievement of specific milestones in writing. In case of overachievement/ shortfall in achievement of such milestones, the conversion ratio of New CCPS 4 will proportionately adjust the Resulting Company 2 Second Additional Equity in such form and manner as may be mutually agreed between the Resulting Company 2 and New CCPS 4 holders, in writing, provided that the adjustment of the New CCPS 4 shall not exceed 2% equity shares of the Resulting Company 2.

12	Mutual agreement	In addition to terms set out above, the Resulting Company 2 and holders of New CCPS 4 shall mutually agree, in writing, on detailed terms and conditions for the New CCPS 4. For the purpose of this Schedule X, any act, which requires the consent, approval, and/or action for mutual agreement with any party, by the Resulting Company 2, shall only be valid if approved by the board of directors of the Resulting Company 2 (which includes the express approval of atleast any 1 director nominated by the majority shareholder of the Resulting Company 2).

NOTARY
A. P. PANDEY
Dombivali Thane
Maharashtra
Regn. No. 6203
Exp. Dt.
27/7/2025
GOVT. OF INDIA

Rakesh Muljibhai Darji

Digitally signed by Rakesh Muljibhai Darji
Date: 2024.07.12 22:28:54 +05'30'

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

JKFFEL TOOLS AND TECHNOLOGIES LIMITED

JK FILES & ENGINEERING LIMITED

RING PLUS AQUA LIMITED

PRECISION PRODUCTS LIMITED

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited]

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's 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 standalone financial statements under the provisions of the Act 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai – 400028
T: +91(22) 66691000, F: +91 (22) 66547804 / 07
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 00

Responsibilities of management and those charged with governance for the standalone financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

7. 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.

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

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

Report on other legal and regulatory requirements

11. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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 other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on April 01, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 financial statements – Refer Note 34 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on derivative contracts. Refer Note 16 to the standalone financial statements. Further, the Company has long-term contracts as at March 31, 2023 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 48 to the standalone financial statements); and

Price Waterhouse Chartered Accountants LLP
Mumbai

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLY5871

Mumbai
May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the standalone financial statements for the year ended March 31, 2023

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLY5871

Mumbai
May 02, 2023

Annexure B to Independent Auditors' Report

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been 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(a) and 2(b) to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Amount in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Leasehold Land – Chiplun	154.79	Raymond Woolen Mills Limited (Now known as Raymond Limited)	Promoter	14 years	Due to pending registration formalities with MIDC

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(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 the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. 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.

(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, which are in agreement with the unaudited books of account (Also refer Note 14 to the standalone financial statements).

iii. (a) During the year, the Company has made investments in six other parties, provided guarantee to one financial institution. The Company has not, granted any secured / unsecured loans or advances in nature of loans or provided any security to any company, firm, Limited Liability Partnerships or any other party. Accordingly, the reporting under Clause 3(iii) (c), (iii)(d), (iii)(e) and (iii)(f) are not applicable to the Company.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantees of parties other than subsidiaries, joint ventures and associates are as per the table given below. Further, the Company has not provided any guarantee to subsidiaries.

Particulars	**Guarantees (Amount in Rs. lakhs)**
Aggregate amount provided during the year	860.69
Balance outstanding as a balance sheet date in respect of the above case	235.27

(Also refer Note 14 to the standalone financial statements)

(b) In respect of the aforesaid investments and guarantees, the terms and conditions under which such investments were made and guarantees provided are not prejudicial to the Company's interest.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the investments made and guarantees provided. The Company has not granted any loans or provided any security to the parties covered under Sections 185 and 186.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

vi. 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 Act 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. (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 regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, 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. Also, refer note 34 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, service tax, duty of customs, duty of excise, cess, goods and service tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs) (net of deposit)	Period to which the amount relates	Forum where the dispute is pending
The Central Sales Tax Act, 1956 and West Bengal Value Added Tax Act, 2003	Sales Tax (VAT and CST)	11.49	2013-14 and 2014-15	Sales Tax Officer
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.77	2015-16	Deputy Commissioner
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.91	2017-18	Assistant Commissioner
West Bengal Value Added Tax Act, 2003	Sales Tax (VAT)	0.08	2014-15	Sr. Joint Commissioner

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

The Income Tax Act, 1961	Income Tax	81.02	2005-06 to 2015-16	Referred by Income Tax Appellate Tribunal to the Assessing Officer
Employees' State Insurance Act, 1948	ESIC	1.30	1975-82	High Court, Bombay
Employees' State Insurance Act, 1948	ESIC	0.87	February 2002 to March 2003	Learned Employees' Insurance Court, Kolkata
Employees' State Insurance Act, 1948	ESIC	1.38	2005-06 and 2006-07	Learned Employees' Insurance Court, Kolkata

viii. 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. (a) According to the records of the Company examined by us and the information and explanation 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 Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(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 no funds raised on short-term basis have been used for long-term purposes by the Company.

(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. Further, the Company did not have any associates or joint ventures during the year.

(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. Further, the Company did not have any joint ventures or associate companies during the year.

Price Waterhouse Chartered Accountants LLP
Mumbai

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (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) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. 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. 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 Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (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) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. 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. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
* Mumbai *

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

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

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 43 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLY5871

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Balance Sheet as at 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2(a)	3,449.11	3,442.14
	(b) Right of use assets	2(b)	1,282.95	1,515.80
	(c) Capital work - in - progress	2(c)	347.49	119.32
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other Intangible assets	3(b)	0.22	0.63
	(f) Investment in subsidiaries	4	3,562.99	3,562.99
	(g) Financial assets			
	(i) Other Financial Asset	5	463.40	184.36
	(h) Deferred tax assets (net)	28(e)	-	51.61
	(i) Current tax assets (net) - non-current	28(b)	237.90	90.39
	(j) Other non - current assets	6	285.42	159.19
	Total Non-Current Assets		**9,708.89**	**9,205.84**
2	**Current assets**			
	(a) Inventories	7	6,705.55	8,659.92
	(b) Financial assets			
	(i) Investments	10	3,526.55	-
	(ii) Trade receivables	8	4,623.70	3,946.88
	(iii) Cash and cash equivalents	9	170.55	245.49
	(iv) Other financial asset	5	705.38	837.47
	(c) Current tax assets (net)- current	28(c)	-	118.10
	(d) Other current assets	11	1,479.10	1,714.74
	Total Current Assets		**17,210.83**	**15,522.60**
	TOTAL ASSETS		**26,919.72**	**24,728.44**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	12	1,048.88	1,048.88
	(b) Other equity	13	15,132.44	11,780.42
	Total Equity		**16,181.32**	**12,829.30**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	2(b)	1,242.92	1,390.22
	(ii) Deferred tax liabilities	28(e)	2.69	-
	Total Non Current Liabilities		**1,245.61**	**1,390.22**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	735.26	840.54
	(ii) Lease liabilities	2(b)	185.17	161.77
	(iii) Trade payables	15		
	(a) total outstanding of micro and small enterprises		442.31	304.44
	(b) total outstanding other than (iii) (a) above		4,546.99	4,134.17
	(iv) Other financial liabilities	16	2,027.45	2,155.04
	(b) Provisions	17	423.02	693.87
	(c) Current tax liabilities (net)	28(d)	-	373.62
	(d) Other current liabilities	18	1,132.59	1,845.47
	Total Current Liabilities		**9,492.79**	**10,508.92**
	Total Liabilities		**10,738.40**	**11,899.14**
	TOTAL EQUITY AND LIABILITIES		**26,919.72**	**24,728.44**
	SIGNIFICANT ACCOUNTING POLICIES	1B		

The above standalone balance sheet should be read in conjunction with the accompanying notes.

This is standalone balance sheet referred to in our attached report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Profit and Loss for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
I	**Revenue from operations**	19	49,431.48	50,291.56
II	**Other income**	20	405.83	1,690.86
III	**Total income (I+II)**		**49,837.31**	**51,982.42**
IV	**Expenses**			
	Cost of raw materials consumed	21	15,105.69	15,874.64
	Purchases of Stock-in-Trade	22	5,264.83	5,172.04
	Changes in inventories of work-in progress, finished goods and stock-in-trade	23	1,108.50	(150.95)
	Employee benefits expense	24	6,369.54	6,721.26
	Finance costs	25	278.97	336.95
	Depreciation and amortization expense	26	768.16	856.09
	Net impairment losses (including reversals) on financial assets		(239.11)	(63.47)
	Other expenses	27	16,465.45	16,741.05
	Total expenses (IV)		**45,122.03**	**45,487.61**
V	**Profit before exceptional items and tax (III-IV)**		**4,715.28**	**6,494.81**
VI	**Exceptional Items (net)**	49	**(262.24)**	**1,186.83**
VII	**Profit before tax (V+VI)**		**4,453.04**	**7,681.64**
VIII	**Tax expense**	28		
	Current tax		1,086.63	1,634.14
	Deferred tax		54.30	163.90
	Tax charge in respect of earlier years		-	12.24
	Total Tax expenses (VIII)		**1,140.93**	**1,810.28**
IX	**Profit for the year (VII- VIII)**		**3,312.11**	**5,871.36**
X	**Other Comprehensive Income/ (loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	29	53.33	(181.84)
	-Income tax relating to items that will not be reclassified to profit/loss		(13.42)	38.68
	Other Comprehensive income/ (loss) for the year, net of Tax (X)		**39.91**	**(143.16)**
XI	**Total Comprehensive Income for the year (IX+X)**		**3,352.02**	**5,728.20**
XII	**Earnings per equity share of Rs. 2 each**	32		
	Basic earnings per share (in Rs.)		6.32	11.20
	Diluted earnings per share (in Rs.)		6.32	10.27
	SIGNIFICANT ACCOUNTING POLICIES	1B		

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes.

This is the standalone statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May , 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Changes in Equity for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

A. Equity Share Capital and Instruments entirely equity in nature

	Equity Share Capital	Instruments entirely in the nature of equity
Particulars	Amount	Amount
As at 1st April, 2021	874.07	2,200.00
Change during the year	174.81	2,200.00
As at 31st March, 2022	1,048.88	-
Change during the year	-	-
As at 31st March, 2023	1,048.88	-

B. Other Equity

Particulars	Reserves & Surplus				Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April, 2021	314.50	-	-	5,172.19	5,486.69
Profit for the year	-	-	-	5,871.36	5,871.36
Remeasurement of defined benefit obligation, net of tax	-	-	-	(143.16)	(143.16)
Total Comprehensive Income for the year	-	-	-	10,900.39	11,214.89
Dividends	-	-	-	(2,097.76)	(2,097.76)
Issue of Bonus Shares	(174.81)	-	-	-	(174.81)
Capital Reserve on common control business combination	-	2,838.10	-	-	2,838.10
Transfer (to) / from capital redemption reserve	-	-	2,200.00	(2,200.00)	-
Balance as at 31st March , 2022	139.69	2,838.10	2,200.00	6,602.63	11,780.42
Profit for the year	-	-	-	3,312.11	3,312.11
Remeasurement of defined benefit obligation, net of tax	-	-	-	39.91	39.91
Total Comprehensive Income for the year	-	-	-	3,352.02	3,352.02
Balance as at 31st March , 2023	139.69	2,838.10	2,200.00	9,954.65	15,132.44

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

This is the standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May , 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flows for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Year ended 31st March, 2023		Year ended 31st March, 2022	
A.	**Cash Flow from Operating Activities**				
	Profit before exceptional items and tax as per statement of profit and loss		4,715.28		6,494.81
	Adjustment for :				
	Depreciation and Amortisation expenses	768.16		856.09	
	Net (gain) /Loss on disposal/discard of property, plant and equipment	9.69		(9.40)	
	Interest income	(66.92)		(130.61)	
	Finance Cost	278.97		336.95	
	Unrealised (gain)/ loss on foreign exchange fluctuations	35.51		(69.41)	
	Net (gain) /Loss on sale / fair valuation of investments	(28.58)		-	
	Dividend Received	-		(1,304.81)	
	Net impairment losses (including reversals) on financial assets	(239.11)		(63.47)	
	Gain on termination of lease	(1.13)		(104.73)	
			756.59		(489.39)
	Operating profit before changes in operating Assets & Liabilities		5,471.87		6,005.42
	Decrease/(Increase) in Inventory	1,954.37		(245.59)	
	Decrease/(Increase) in Trade & Other receivables	(446.43)		(2,434.18)	
	Decrease/(Increase) in other financial assets	174.42		(807.36)	
	Decrease/(Increase) in other assets	310.60		604.47	
	Increase/(Decrease) in Trade & other Payables	548.92		(1,235.54)	
	Increase /(Decrease) in other financial liabilities	(199.90)		221.10	
	Increase /(Decrease) in other liabilities	(712.88)		517.00	
	Increase / (Decrease) in Provisions	(217.52)		(117.15)	
			1,411.58		(3,497.25)
			6,883.45		2,508.17
	(Less): Direct Taxes Paid (Net)		(1,487.83)		(1,233.38)
			5,395.62		1,274.79
	Less : Exceptional Item		(796.66)		-
	Net cash flows generated from operating activities		**4,598.96**		**1,274.79**
B.	**Cash Flow from Investing Activities**				
	Inflows				
	Proceeds from sale of property, plant & equipment		929.40		46.10
	Proceeds from repayment of Inter Corporate Deposit by related parties		-		4,000.00
	Interest received		61.97		167.75
	Dividend received from Subsidiary		-		1,304.81
			991.37		5,518.66
	Outflows				
	Purchase of property, plant & equipment (including capital work-in-progress and capital Advances)		(1,319.27)		(399.15)
	Inter Corporate Deposit placed with group companies		-		(1,100.00)
	Investment in units of Mutual Funds		(3,497.97)		-
	Margin money Deposits with Banks		(323.04)		(56.13)
			(5,140.28)		(1,555.28)
	Net cash flows generated from / (used in) investing activities		**(4,148.91)**		**3,963.38**
C.	**Cash Flow from Financing Activities**				
	Repayment of Short term borrowings (net)		(105.27)		(640.75)
	Interest Paid		(108.10)		(156.03)
	Principal elements of lease payments		(162.41)		(112.38)
	Interest on lease liabilities		(149.21)		(167.88)
	Redemption of preference share capital		-		(2,200.00)
	Dividend paid		-		(2,097.76)
			(524.99)		(5,374.80)
	Net cash flows used in financing activities		**(524.99)**		**(5,374.80)**
	Net Increase /(Decrease) in Cash and Cash Equivalents **(A+B+C)**		(74.94)		(136.63)
	Add :Cash and Cash Equivalents at the beginning of the financial Year		245.49		382.12
	Cash and Cash Equivalents as at the end of the Year		**170.55**		**245.49**

Price Waterhouse Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flows for the year ended 31st March, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Non-cash financing and investing activities

		Year ended 31st March, 2023	Year ended 31st March, 2022
	Acquisition of right-of-use assets	61.02	724.15
	Investment in subsidiaries	-	2,838.10
	Issue of Bonus Shares	-	174.81

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
2nd May, 2023

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshar Chechani
Company Secretary

Mumbai
2nd May, 2023

1 A. Corporate Information

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) ("the Company") is a public Company limited by shares and domiciled in India. The Company deals in tools and hardware products. The Company have manufacturing facilities at Chiplun, Ratnagiri and Vapi. The Registered office of the Company is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400 001.

These Standalone Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors on May 02, 2023.

1 B. Summary of significant accounting policies

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

(a) Basis of preparation

(i) Compliance with Ind AS

The Standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as ammended] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:
1)certain financial assets and liabilities (including derivative instruments) is measured at fair value;
2)assets held for sale – measured at lower of book value and fair value less cost to sell.
3)defined benefit plans – plan assets measured at fair value

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.
The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

(v) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vi) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II), unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the year in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses. On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.
The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers	3 years

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

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

(d) Intangible assets

Goodwill generated as part of business combination are not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Computer software
Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method
The Company amortizes intangible assets with a future useful life using the straight-line method over following period:

Class of Asset	Useful life
Computer Software	3 years
Trademark	10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(e) Lease

As a lessee
Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company's where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(f) Cash and Cash Equivalents
For the purpose of presentation in the Standalone Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Inventories
Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(h) Investment in subsidiaries
Investment in subsidiaries is recognised at cost as per Ind AS -27.

(i) Trade Receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company measures its debt instruments in following categories:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 37 details how the Company determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(l) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Price Waterhouse Chartered Accountants LLP LLPIN AAC - 5001 FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

(n) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(o) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in standalone financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in standalone financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(s) Revenue from contracts with customers

(i) Sale of Goods
Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period.Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services
Revenue from sale of services is recognised in the accounting year in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.
Cash received before the goods and services are delivered is recognised as a contract liability.

(iii) Financing Components
The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(t) Employee benefits
(i) Short-term Employee Benefits:
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans
The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(iii) Post-employment obligations
Defined Benefit Plans
The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Profit or Loss as past service cost.

(iv) Other long-term employee benefit obligations
The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits
Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b)when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(u) Foreign currency translation
(i) Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances
Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.
Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(v) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

(w) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Company, and makes strategic decisions.

(y) Impairment of non-financial assets:

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

(z) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(aa) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Company for the year. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(ab) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(ac) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

1(C) Critical estimates and judgements

The preparation of Standalone Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial statements .

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 29)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 7)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(a)- Property, Plant and Equipment

	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
Balance as at 1st April , 2021	**1,558.36**	**5,909.56**	**125.23**	**24.53**	**49.62**	**175.08**	**7,842.38**
Additions	10.02	229.38	1.57	44.00	6.43	39.39	330.79
Disposals/Adjustments	0.35	105.80	63.85	44.00	3.59	0.64	218.23
Balance as at 31st March , 2022	**1,568.03**	**6,033.14**	**62.95**	**24.53**	**52.46**	**213.83**	**7,954.94**
Additions	38.14	758.86	29.51	-	15.99	64.39	906.89
Disposals/Adjustments	303.91	452.12	1.17	14.86	2.41	11.67	786.14
Balance as at 31st March, 2023	**1,302.26**	**6,339.88**	**91.29**	**9.67**	**66.04**	**266.55**	**8,075.69**
Accumulated depreciation							
Balance as at 1st April, 2021	**394.91**	**3,271.45**	**99.84**	**20.66**	**38.47**	**138.32**	**3,963.65**
Charge for the year	69.73	584.81	5.65	3.04	5.07	16.24	684.54
Disposals/Adjustments	0.08	74.11	55.44	2.29	3.01	0.46	135.39
Balance as at 31st March , 2022	**464.56**	**3,782.15**	**50.05**	**21.41**	**40.53**	**154.10**	**4,512.80**
Charge for the year	62.46	467.25	3.14	0.10	5.74	25.75	564.44
Disposals/Adjustments	107.85	317.78	1.10	13.00	1.04	9.89	450.66
Balance as at 31st March, 2023	**419.17**	**3,931.62**	**52.09**	**8.51**	**45.23**	**169.96**	**4,626.58**
Net carrying amount							
Balance as at 31st March , 2022	**1,103.47**	**2,250.99**	**12.90**	**3.12**	**11.93**	**59.73**	**3,442.14**
Balance as at 31st March , 2023	**883.09**	**2,408.26**	**39.20**	**1.16**	**20.81**	**96.59**	**3,449.11**

NOTE:
1) Refer note 33 for information on Property Plant and Equipment pledged as security by the Company.
2) Refer note 35 for disclosure of contractual commitments for acquisition of Property Plant and Equipment .

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

Note 2(b)- Leases

This note provides information for leases where the Company is a lessee. The Company has leasehold land ranging from 95 to 99 years. The Company has also leased offices, factories and warehouses for which lease terms range from 11 months to 15 years.

(i) Amounts recognised in Standalone Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at 1st April, 2021	**388.53**	1,229.47	**1,618.00**
Additions	-	724.15	**724.15**
Disposals / Adjustments	-	578.65	**578.65**
As at 31st March, 2022	**388.53**	**1,374.97**	**1,763.50**
Additions	-	61.02	**61.02**
Disposals / Adjustments	83.51	15.86	**99.37**
As at 31st March, 2023	**305.02**	**1,420.13**	**1,725.15**
II. Accumulated depreciation			
As at 1st April, 2021	**12.48**	**280.73**	**293.21**
Charge for the year	6.24	161.44	**167.68**
Disposals / Adjustments	-	213.19	**213.19**
As at 31st March, 2022	**18.72**	**228.98**	**247.70**
Charge for the year	5.62	197.69	**203.31**
Disposals / Adjustments	7.87	0.94	**8.81**
As at 31st March, 2023	**16.47**	**425.73**	**442.20**
Net carrying amount			
As at 31st March, 2022	**369.81**	**1,145.99**	**1,515.80**
As at 31st March, 2023	**288.55**	**994.40**	**1,282.95**

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities		
Current	185.17	161.77
Non-current	1,242.92	1,390.22
Total	**1,428.09**	**1,551.99**

(ii) Amounts recognised in the standalone Statement of Profit and loss

The standalone statement of profit or loss shows the following amounts relating to leases:

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation of right-of-use assets	26		
- Leasehold Land		5.62	6.24
- Buildings		197.69	161.44
Interest expense (included in finance costs)	25	149.21	167.88
Expense relating to short-term leases (included in other expenses)	27(b)	194.88	184.40

The total cash outflow for leases for the year ended March 31, 2023: Rs 506.50 Lakhs ; the year ended March 31, 2022 was Rs 464.66 Lakhs (including short term lease payments).

(iii) Extension and termination options

Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(b)- Leases
Additional Regulatory Information:-

As At 31st March , 2023 and As at 31st March ,2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of use asset	Land	154.79	Raymond Woolen Mills Limited now known as " Raymond Limited "	Promoter	1st October, 2009	Pending registration formalities with Maharashtra Industrial Development Corporation (MIDC) .

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(c)- Capital work - in - progress (CWIP)

	CWIP
As at 1st April, 2021	**46.33**
Additions	312.39
Capitalization	239.40
As at 31st March , 2022	**119.32**
Additions	1,025.17
Capitalization	797.00
As at 31st March , 2023	**347.49**

Notes:
i) CWIP ageing schedule

Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March , 2022	119.32	-	-	-	119.32
As at 31st March , 2023	347.49	-	-	-	347.49

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3(a) - Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the single CGU in which the Company operates i.e., tools and hardware.
The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Company has performed an impairment assessment for year ended March 31, 2023 and March 31, 2022 respectively, and considering profits earned by CGU being significantly higher than carrying amount of goodwill , no impairment on goodwill has been recognised.

Note 3(b)-Other Intangible assets

	Computer Software	Brands /trademarks	Total
Gross carrying amount			
Balance as at 1st April , 2021	**44.96**	**1,125.00**	**1,169.96**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March , 2022	**44.96**	**1,125.00**	**1,169.96**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March , 2023	**44.96**	**1,125.00**	**1,169.96**
Accumulated Amortisation			
Balance as at 1st April , 2021	**40.46**	**1,125.00**	**1,165.46**
Charge for the year	3.87	-	3.87
Disposals/ Adjustments	-	-	-
Balance as at 31st March , 2022	**44.33**	**1,125.00**	**1,169.33**
Charge for the year	0.41	-	0.41
Disposals/ Adjustments	-	-	-
Balance as at 31st March , 2023	**44.74**	**1,125.00**	**1,169.74**
Net carrying amount			
As at 31st March , 2022	**0.63**	-	**0.63**
As at 31st March , 2023	**0.22**	-	**0.22**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

Note-4 Investment in subsidiaries

	As at March 31, 2023	As at March 31, 2022
Unquoted		
Equity instruments at cost		
JK Talabot Limited		
72,48,936 (31st March , 2022: 72,48,936) Equity Shares of Rs.10 each	724.89	724.89
Scissors Engineering Products Limited *		
1,81,31,365 (31st March, 2022:- 1.81,31,365) Equity Shares of Rs.10 each	10.00	10.00
Ring Plus Aqua Limited *		
69,08,482 (31st March, 2022:-69,08,482) Equity Shares of Rs.10 each	2,828.10	2,828.10
Total	**3,562.99**	**3,562.99**
Aggregate value of unquoted investment	**3,562.99**	**3,562.99**

* Refer Note 47

Note-5 Other financial assets
Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Non-current		
Security Deposits	83.72	127.73
Margin money deposit with Banks*	379.68	56.63
Total	**463.40**	**184.36**

* Refer below
(i) Rs. 0.50 Lakhs (Previous year :- Rs 0.50 Lakhs) held with a Bank as lien with Gujarat Irrigation Department.
(ii) Rs. 379.18 Lakhs (Previous year:- Rs. 56.13 Lakhs) held with banks against various guarantees and letter of credit.

	As at March 31, 2023	As at March 31, 2022
Current		
Derivative financial instrument(Refer Note 37)	-	6.66
Receivable from Related party (Refer Note 40)*	746.46	886.69
Less: Allowance for doubtful receivable	(50.12)	(83.72)
Interest accrued	8.79	3.83
Security Deposits	0.25	0.25
Other receivables	-	23.76
	705.38	**837.47**

* includes Initial Public Offer (IPO) expenses reimbursable by the holding company, Raymond Limited (Refer Note 40).

Note-6 Other non-current assets
Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Capital advances	253.80	53.41
Less: Allowance for doubtful advances	-	(3.77)
Refund due from government authorities	-	60.23
Deposits with government authorities	31.62	49.32
Total	**285.42**	**159.19**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

Note-7 Inventories
(Cost or Net Realisable value,whichever is lower)

	As at March 31, 2023	As at March 31, 2022
Raw materials	872.53	1,276.69
Raw material in transit	-	341.14
Work-in-progress	2,185.78	2,438.15
Finished goods	2,256.35	2,877.90
Stock-in-trade	1,110.84	1,216.14
Stock-in-trade in transit	13.05	142.33
Stores and spares	267.00	367.57
Total	**6,705.55**	**8,659.92**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 320.00 lakhs for the year ended 31st March, 2023 (Reversal of Write-down of Rs.465.98 lakhs for the year ended 31st March, 2022). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the standalone Statement of Profit and Loss.

Note-8 Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade Receivables from related parties (Refer note 40)	13.93	241.55
Trade Receivables from other customers	4,781.82	4,082.89
Less: Loss allowances	(172.05)	(377.56)
Total receivables	**4,623.70**	**3,946.88**

Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Considered good, Secured	169.56	159.10
Considered good, Unsecured	4,626.19	4,165.34
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**4,795.75**	**4,324.44**
Less: Loss allowances	(172.05)	(377.56)
Total trade receivables	**4,623.70**	**3,946.88**

Refer Note-37 for information about credit risk and market risk of trade receivable.

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2023	3,631.39	992.31	31.78	1.83	0.80	137.64	4,795.75
As at 31st March, 2022	3,501.69	445.20	12.59	0.86	1.58	362.52	4,324.44

There are no disputed trade receivables.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-9 Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
- In current accounts	169.08	243.62
Cash on hand	1.47	1.87
Total	**170.55**	**245.49**

Note-10 Current Investments

	As at March 31, 2023	As at March 31, 2022
Investment in Mutual Fund :		
Unquoted at Fair value through Profit and Loss		
52,696.832 (March 31, 2022 : Nil) Units in Nippon India Ultra Short Duration Fund - Growth Option - Growth Plan	1,818.73	-
12,857.222 (March 31, 2022 : Nil) Units in Nippon India Liquid Fund - Growth Plan - Growth Option	701.12	-
1,905,047.681 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Crisil IBX AAA - Jun 2023 Index Fund Regular Growth	200.17	-
21,798.481 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Saving Fund Growth	101.18	-
1,370,579.276 (March 31, 2022 : Nil) Units in Kotak Saving Growth Plan (Regular Plan)	503.06	-
1,984.972 (March 31, 2022 : Nil) Units in SBI Magnum Ultra Short Duration Fund Regular Growth	101.13	-
428,411.632 (March 31, 2022 : Nil) Units in ICICI Prudential Ultra Short Term Fund Growth	101.16	-
Total	**3,526.55**	**-**

Note-11 Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Export benefit receivables	264.22	435.71
GST receivable/refundable	634.03	665.51
Advances to suppliers	467.73	523.50
Prepaid expenses	92.45	80.65
Other advances	20.67	9.37
Total	**1,479.10**	**1,714.74**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-12 Equity Share capital

	As at March 31, 2023	As at March 31, 2022
Authorised		
8,50,00,000 Equity Shares of Rs. 2 each [31st March, 2022 : 8,50,00,000 Equity Shares of Rs. 2 each] #	1,700.00	1,700.00
22,00,000 [31st March, 2022 : 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each *	2,200.00	2,200.00
Total	**3,900.00**	**3,900.00**
Issued, subscribed and fully paid up		
5,24,43,948 Equity Shares of Rs. 2 each [March 31, 2022 : 5,24,43,948 Equity Shares of Rs. 2 each] #	1,048.88	1,048.88
Total	**1,048.88**	**1,048.88**

a) **Reconciliation of number of shares outstanding**

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares #				
Balance as at the beginning of the year	52,443,948	1,048.88	8,740,658	874.07
Add: Impact of sub-division of equity shares #	-	-	34,962,632	-
	52,443,948	1,048.88	43,703,290	874.07
Add: Bonus Shares issued during the year #	-	-	8,740,658	174.81
Balance as at the end of the year	**52,443,948**	**1,048.88**	**52,443,948**	**1,048.88**
Instruments entirely equity in nature				
9% Non-Cumulative Convertible Preference Shares ("Preference Shares" or "NCCPS") *				
Balance as at the beginning of the year	-	-	2,200,000	2,200.00
Less:- Redeemed during the year	-	-	(2,200,000)	(2,200.00)
Balance as at the end of the year	-	-	-	-

b) **Right, Preference and Restrictions attached to shares:**

i) Equity shares: The Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: During the previous year, pursuant to the approval of Board of Directors in their meeting held on September 27, 2021, the Company had exercised its option and redeemed NCCPS on October 06, 2021.

c) **Shares of the Company held by holding Company**

	As at March 31, 2023	As at March 31, 2022
Equity Shares:#		
Raymond Limited, India and its nominees	52,443,948	52,443,948

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares :#				
Raymond Limited, India and its nominees	52,443,948	100%	52,443,948	100%

e) **During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash. (Also Refer Note 46)**

f) **Disclosure of Shareholding of Promoters**
Since all the shares of the Company are held by its promoter Raymond Limited and there being no changes in such shareholding as at the end of the each year referred in 12 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

* Refer Note 39 for Redemption Of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

 # Refer Note 44, Note 45 and Note 46 for Name Change of the Company, sub-division of equity shares and issue of bonus shares.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 13 **Other Equity**

Particulars	Reserves & Surplus				Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Retained Earnings	
Balance as at 1st April, 2021	314.50	-	-	5,172.19	5,486.69
Profit for the year	-	-	-	5,871.36	5,871.36
Remeasurement of defined benefit obligation, net of tax	-	-	-	(143.16)	(143.16)
Total Comprehensive Income for the year	-	-	-	5,728.20	5,728.20
Dividends	-	-	-	(2,097.76)	(2,097.76)
Issue of Bonus Shares	(174.81)	-	-	-	(174.81)
Capital contribution by Parent (refer note 47)	-	2,838.10	-	-	2,838.10
Transfer (to) / from capital redemption reserve	-	-	2,200.00	(2,200.00)	-
Balance as at 31st March , 2022	139.69	2,838.10	2,200.00	6,602.63	11,780.42
Profit for the year	-	-	-	3,312.11	3,312.11
Remeasurement of defined benefit obligation, net of tax	-	-	-	39.91	39.91
Total Comprehensive Income for the year	-	-	-	3,352.02	3,352.02
Balance as at 31st March , 2023	139.69	2,838.10	2,200.00	9,954.65	15,132.44

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve pertains to the transfer by way of delivery, 100% equity share capital of Scissors Engineering Product Limited to the Company at Nil consideration.

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

Price Waterhouse Chartered Accountants LLP LLPIN AAC - 5001 FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

Note 14 - Current borrowings

	Terms of repayments	Interest Rate	As at March 31, 2023	As at March 31, 2022
Loans repayable on demand				
Secured				
From banks				
- Cash Credit	Repayable on demand	8.20% -8.55%	-	279.57
- Packing credit				
- in Foregin Currency	Single repayment at end of term	3.63%-7.62%	-	562.81
- in Indian Rupee	Single repayment at end of term	8.20%	501.90	-
(The above borrowings are secured by way of first pari passu charge on all current assets of the Company)				
From Financial Institutions				
-Channel Financing (Refer Note iv below)	Repayable on demand		235.27	-
Total current borrowings			737.17	842.38
Less: Interest accrued but not due on borrowings (included in Note 16)			(1.91)	(1.84)
Total			735.26	840.54

(i) The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 33 - Assets pledged as security

(ii) In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the Company for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Company to any other parties.

(iv) The Company has availed Channel Financing arrangement for its customers from a financial institution, for which it has provided a first loss default guarantee . As per the terms of this facility, should the customers default in making payment, the contractual first loss default guarantee of 15% will be invoked on the Company by the financial institution. The total amount of contractual cash flow associated with this arrangement and outstanding as at March 31, 2023 is Rs. 235.27 lakhs (Previous year: Nil), which has been disclosed under current borrowings.

Net debt reconciliation	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	(170.55)	(245.49)
Current Borrowings	735.26	840.54
Interest accrued but not due on borrowings	1.91	1.84
Lease liabilities	1,428.09	1,551.99
Net debt	1,994.72	2,148.88

	Other assets	Liabilities from financing activities		
	Cash and Cash equivalents	Lease Liabilities	Current borrowings (Including interest accrued)	Total
Net Debt as at April 1, 2021	382.12	1,410.43	1,483.11	2,511.42
Other non-cash movements:				
- Acquisitions / Disposals	-	253.94	-	253.94
-Cash flows	(136.63)	(112.38)	(640.75)	(616.50)
-Interest expense	-	167.88	97.75	265.63
-Interest paid	-	(167.88)	(97.73)	(265.61)
Net Debt as at March 31, 2022	245.49	1,551.99	842.38	2,148.88
Other non-cash movements:				
- Acquisitions / Disposals	-	38.51	-	
-Cash flows	(74.94)	(162.41)	(105.27)	(192.74)
-Interest expense	-	149.21	108.16	257.37
-Interest paid	-	(149.21)	(108.10)	(257.31)
Net Debt as at March 31, 2023	170.55	1,428.09	737.17	1,994.72

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-15 - Trade payables

	As at March 31, 2023	As at March 31, 2022
Current		
- Trade payables: micro and small enterprises (Refer note 30)	442.31	304.44
- Trade payables: others *	4,546.99	4,134.17
Total	**4,989.30**	**4,438.61**

* Refer note 40 for Trade payables to related parties

Note:
Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following years from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2023							
(i) MSME	-	442.31	-	-	-	-	442.31
(ii) Others	1,349.86	1,281.65	1,850.11	35.21	22.51	7.65	4,546.99
Total	1,349.86	1,723.96	1,850.11	35.21	22.51	7.65	4,989.30
As at March 31, 2022							
(i) MSME	-	304.44	-	-	-	-	304.44
(ii) Others	1,342.94	1,711.36	1,050.62	11.96	9.85	7.44	4,134.17
Total	1,342.94	2,015.80	1,050.62	11.96	9.85	7.44	4,438.61

There are no disputed trade payables.

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-16 - Other current financial liabilities

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on borrowings	1.91	1.84
Capital creditors	57.12	40.94
Deposits from dealers, agents etc.	538.63	591.33
Employee Benefits payable	1,342.38	1,462.98
Derivative financial instruments (Refer Note 37)	56.06	-
Other payables	31.35	57.95
Total	**2,027.45**	**2,155.04**

Refer Note-37 for information about Liquidity risk of Financial Liabilities

Note-17 - Provisions

	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits (Refer note 29)		
-Gratuity	62.15	287.08
-Compensated absences	360.87	406.79
Total	**423.02**	**693.87**

Note 18 -Other Current liabilities

	As at March 31, 2023	As at March 31, 2022
Contract Liabilities *	698.25	1,289.36
Statutory dues payable	147.56	263.94
Refund Liabilities	108.98	86.38
Stamp Duty Payable	177.80	177.80
Other Payables	-	27.99
Total	**1,132.59**	**1,845.47**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-19 Revenue from Operations

	Year ended 31st March, 2023	Year ended 31st March, 2022
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	18,445.72	17,428.53
(ii) Manufactured goods - Export	22,490.68	24,767.29
(iii) Stock-in trade- Domestic	6,198.80	5,322.68
(iv) Stock-in trade- Export	737.38	735.13
Total (A)	**47,872.58**	**48,253.63**
Sale of Services - recognised over a period of time	409.39	688.12
Total (B)	**409.39**	**688.12**
Revenue from contracts with customers (C= A+B)	**48,281.97**	**48,941.75**
Other operating revenue		
(i) Export Incentives	494.65	575.38
(ii) Process waste sale	654.86	774.43
Total (D)	**1,149.51**	**1,349.81**
Total (C + D)	**49,431.48**	**50,291.56**

Notes:

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended 31st March, 2023	Year ended 31st March, 2022
India	24,644.52	22,751.21
Africa	7,620.04	6,967.14
America	9,115.97	12,463.57
Asia (excluding India)	4,071.50	4,583.39
Europe	2,829.94	2,176.44
Total	**48,281.97**	**48,941.75**

The Company derives revenue from the transfer of following goods and services:

	Year ended 31st March, 2023	Year ended 31st March, 2022
Files	27,064.25	30,095.38
Drills	11,712.93	9,828.90
Hand tools and power tool accessories	5,366.28	4,714.01
Power tool machines	1,560.97	1,312.25
Others	2,168.15	2,303.09
Sale of Products (A)	**47,872.58**	**48,253.63**
Sale of Services (B)	409.39	688.12
Revenue from contracts with customers (A + B)	**48,281.97**	**48,941.75**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	Year ended 31st March, 2023	Year ended 31st March, 2022
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	3.96	85.18
	3.96	**85.18**

(iii) Reconciliation of revenue recongnised with contract price:

	Year ended 31st March, 2023	Year ended 31st March, 2022
Contract price	50,837.47	50,951.11
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,555.50)	(2,009.36)
Revenue from contract with customers	**48,281.97**	**48,941.75**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023

Note-20 Other income

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest income		
- on financial assets at amortised cost	66.92	129.16
- others	-	1.45
Net gain on foreign exchange fluctuations	-	36.95
Net gain on disposal/discard of property, plant and equipment	-	9.40
Net gain on sale of investments	8.13	-
Net gain on Fair valution of Investments through Profit & Loss	20.45	-
Dividend Income	-	1,304.81
Gain on termination of lease	1.13	104.73
Miscellaneous Income	309.20	104.36
Total	**405.83**	**1,690.86**

Note-21 Cost of raw materials consumed

	Year ended 31st March, 2023	Year ended 31st March, 2022
Raw material at the beginning of the year	1,617.83	1,424.53
Purchases	14,360.39	16,067.94
Less : Raw material at the end of the year	872.53	1,617.83
Total	**15,105.69**	**15,874.64**

Note-22 Purchases of Stock-in-Trade

	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchases of Stock-in-Trade	5,264.83	5,172.04
Total	**5,264.83**	**5,172.04**

Note-23 Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended 31st March, 2023	Year ended 31st March, 2022
Opening inventories		
Work-in-progress	2,438.15	2,070.90
Finished goods	2,877.90	3,402.04
Stock-in-trade	1,358.47	1,050.62
	6,674.52	**6,523.57**
Closing inventories		
Work-in-progress	2,185.78	2,438.15
Finished goods	2,256.35	2,877.90
Stock-in-trade	1,123.89	1,358.47
	5,566.02	**6,674.52**
Total	**1,108.50**	**(150.95)**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023

Note-24 Employee benefits expense

	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries, wages and bonus	5,523.98	5,913.17
Gratuity Expense (Refer Note 29)	142.65	132.23
Contribution to provident and other funds (Refer Note 29)	313.61	335.08
Workmen and Staff welfare expenses	389.30	340.78
Total	**6,369.54**	**6,721.26**

Note-25 Finance costs

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest on lease obligation	149.21	167.88
Interest expense on current borrowings	66.04	97.75
Interest on shortfall of advance tax	11.00	13.02
Interst expense - Others	31.13	58.30
Exchange difference regarded as adjustment to borrowing cost	21.59	-
Total	**278.97**	**336.95**

Note-26 Depreciation and amortization expense

	Year ended 31st March, 2023	Year ended 31st March, 2022
Depreciation on property, plant and equipment	564.44	684.54
Depreciation on right-of-use asset	203.31	167.68
Amortization on intangible assets	0.41	3.87
Total	**768.16**	**856.09**

Note-27 Other Expenses

Note-27 (a) Manufacturing and Operating expenses

	Year ended 31st March, 2023	Year ended 31st March, 2022
Consumption of stores and spare parts	3,558.52	3,991.92
Power and fuel	1,521.67	1,823.81
Job work charges	3,702.29	3,282.73
Payment to labour contractor	1,654.49	2,063.46
Repairs to buildings	58.12	68.34
Repairs to machinery	302.57	334.47
Other Manufacturing and Operating expenses	230.85	181.05
Total (A)	**11,028.51**	**11,745.78**

Price Waterhouse Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

Note-27 (b) Other expenses

	Year ended 31st March, 2023	Year ended 31st March, 2022
Rent	194.88	184.40
Insurance	194.14	186.36
Repairs & Maintainence Others	98.33	83.04
Rates and Taxes	51.99	25.29
Commission to selling agents	843.73	840.84
Freight, Octroi, etc	1,413.28	1,750.42
Legal and Professional Expenses	349.80	244.66
IT outsourced Support Services	147.17	148.76
Travelling & Conveyance	405.97	174.70
Advertisement and Sales Promotion expenses	286.27	117.43
Director sitting fees & Commission (Refer note 40)	42.50	40.00
Net loss on disposal/discard of property, plant and equipment	9.69	-
Facility Charges (Refer note 40)	495.00	475.00
Net (Gain)/Loss on foreign exchange fluctuations	126.79	-
Corporate Social Responsibilty (Refer note 41)	79.00	50.00
Receivables and advances written off	3.77	-
Less: Allowances there against	(3.77)	-
Software expenses	70.10	51.90
Security charges	100.58	176.01
Communication expenses	49.43	32.42
Printing and stationery expenses	34.92	43.09
Motor car expenses	50.90	70.23
Miscellaneous expenses	392.47	300.72
Total (B)	**5,436.94**	**4,995.27**
Total (A+B)	**16,465.45**	**16,741.05**

Note-27 (c) Details of payment to auditors included in legal and professional expenses

	Year ended 31st March, 2023	Year ended 31st March, 2022
Payment to auditors		
a) Audit fees	14.25	17.00
b) Limited Review	6.25	3.50
In other capacities		
a) Certification Fees	0.20	0.60
b) Reimbursement of out-of-pocket expenses	0.56	0.09
Total payments to auditors *	**21.26**	**21.19**

* Invoices amounting to Rs 10.96 lakhs (previous year Rs 140.74 lakhs) towards initial public offer related work .

Note-27 (d): Corporate social responsibility expenditure

	Year ended 31st March, 2023	Year ended 31st March, 2022
Amount required to be spent by the Company during the year	79.00	50.00
Amount of expenditure incurred	79.00	50.00
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

Refer Note 41

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 28(a): Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	As at March 31, 2023	As at March 31, 2022
Current tax		
Current year	1,086.63	1,634.14
Adjustments for prior periods	-	12.24
Total current tax	**1,086.63**	**1,646.38**
Deferred tax		
Deferred tax charge	54.30	163.90
Total deferred tax	**54.30**	**163.90**
Total income tax expense	**1,140.93**	**1,810.28**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	As at March 31, 2023	As at March 31, 2022
Profit before tax	4,453.04	7,681.64
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	1,120.74	1,933.32
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	22.65	19.31
Dividend income not taxable on account of section 80M	-	(328.39)
Additional capital gain tax on differential amount	-	200.97
Adjustment for differential Tax in respect of Capital Gain	(6.65)	-
Differential tax rate in respect of capital gains	-	(22.95)
Adjustments for prior periods	-	12.24
Others	4.19	(4.22)
Total income tax expense	**1,140.93**	**1,810.28**

Consequent to reconciliation items shown above, the effective tax rate is 25.62% (31st March ,2022: 23.57%).

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 28(b): Current tax assets (net) - non-current

	As at March 31, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. 4,787.17 Lakhs (March 31, 2022: Rs. 3,700.54 Lakhs))	237.90	90.39
	237.90	**90.39**

Note 28(c): Current tax assets (net) -Current

	As at March 31, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. Nil (March 31, 2022: Rs.485.12 Lakhs)	-	118.10
	-	**118.10**

Note 28(d): Current tax liabilities (net) -Current

	As at March 31, 2023	As at March 31, 2022
Current tax liabilities (net of taxes paid of Rs. Nil (March 31,2022: Rs 1,221.84 Lakhs))	-	373.62
	-	**373.62**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 28(e): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2023

Particulars	As at 1st April, 2022	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2023
Deferred tax assets on account of :			
Amounts allowable for tax purpose on payment basis	102.39	(11.56)	90.83
Allowances for doubtful receivable and advances	116.10	(60.18)	55.92
Amount paid under voluntary retirement scheme	1.46	(1.46)	-
Lease Liabilities	390.65	(31.18)	359.47
	610.60	**(104.38)**	**506.22**
Deferred tax (liabilities) on account of:			
Property plant and equipment and intangible assets	(270.54)	11.93	(258.61)
Right-of-use Assets	(288.45)	38.15	(250.30)
	(558.99)	**50.08**	**(508.91)**
Total	**51.61**	**(54.30)**	**(2.69)**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 28(e): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2022

Particulars	As at 1st April, 2021	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2022
Deferred tax assets on account of :			
Amounts allowable for tax purpose on payment basis	92.24	10.15	102.39
Allowances for doubtful receivable and advances	132.08	(15.98)	116.10
Amount paid under voluntary retirement scheme	138.31	(136.85)	1.46
Lease Liabilities	355.02	35.63	390.65
Other temporary differences	57.42	(57.42)	-
	775.07	**(164.47)**	**610.60**
Deferred tax (liabilities) on account of:			
Property plant and equipment and intangible assets	(320.76)	50.22	(270.54)
Right-of-use Assets	(238.80)	(49.65)	(288.45)
	(559.56)	**0.57**	**(558.99)**
Total	**215.51**	**(163.90)**	**51.61**

Note:-
During the previous year ,JK Talabot Limited had declared one off dividend by utilising 75.54 % of its cumulative earnings and which had been passed on by the Company to its parent Company. As per the provisions of section 80M of the Income Tax Act, 1961, there would be no tax liability on the Company in respect of the dividend received.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 29: Post retirement benefit plans
i) Defined benefit plans - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of services, subject to ceiling of Rs. 20 lakhs . The gratuity plan is funded plan and the Company makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	As at 31st March, 2023	As at 31st March , 2022
Present value of defined benefit obligation	(2,154.22)	(2,535.93)
Fair value of plan assets	2,092.07	2,248.85
Net defined benefit obligation	**(62.15)**	**(287.08)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2023			As at 31st March ,2022		
	Plan liabilities	**Plan Assets**	**Net**	**Plan liabilities**	**Plan Assets**	**Net**
As at beginning of the year	**(2,535.93)**	**2,248.85**	**(287.08)**	**(2,211.13)**	**1948.42**	(262.71)
Current service cost (including past service cost)	(122.60)	-	**(122.60)**	(114.21)	-	(114.21)
Interest (cost)/Income	(177.01)	156.96	**(20.05)**	(151.68)	133.66	(18.02)
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(15.32)	**(15.32)**	-	1.50	1.50
Gain/(loss) arising from changes in demographic assumptions	-	-	-	(0.31)	-	(0.31)
Gain/(loss) arising from changes in financial assumptions	55.64	-	**55.64**	(34.41)	-	(34.41)
Gain/(loss) arising from experience adjustments	13.01	-	**13.01**	(148.62)	-	(148.62)
Employer contributions	-	310.72	**310.72**	-	289.70	289.70
Benefit directly paid by employer	3.53	-	**3.53**	-	-	-
Benefit payments	609.14	(609.14)	-	124.43	(124.43)	-
As at end of the year	**(2,154.22)**	**2,092.07**	**(62.15)**	**(2,535.93)**	**2,248.85**	(287.08)

The present value of obligation at each balance sheet date above relates to active employees.

The liabilities are split between different categories of plan participants as follows:
- Active members - 2022-23: 887 Nos. (2021-22: 1096 Nos.)
- Deferred members -2022-23 Nil (2021-22 Nil)
- Retired members - 2022-23 Nil (2021-22 Nil)

C. The Company expects to contribute Rs. 169.68 lakhs to the funded plans in financial year 2023-24 (2022-23 Rs 230.16 lakhs) for gratuity.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023

D. Statement of Profit and Loss

	Year ended 31st March, 2023	Year ended 31st March, 2022
Employee Benefit Expenses:		
Current service cost (including past service cost)	122.60	114.21
	122.60	**114.21**
Interest Cost	20.05	18.02
Net impact on the Profit before tax	**142.65**	**132.23**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(15.32)	1.50
Gain/(loss) arising from changes in demographic assumptions	-	(0.31)
Gain/(loss) arising from changes in financial assumptions	55.64	(34.41)
Gain/(loss) arising from experience adjustments	13.01	(148.62)
Net impact on the Other Comprehensive Income before tax	**53.33**	**(181.84)**

E. Assets

	As at 31st March, 2023	As at 31st March, 2022
Insurer managed fund	2,092.07	2,248.85
Total	**2,092.07**	**2,248.85**

F. Significant Estimate: Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31st March, 2023	As at 31st March, 2022
Financial Assumptions		
Discount rate	7.44%	6.98%
Salary Escalation Rate	7.50%	7.50%
Atrrition rate	2.00%	2.00%
Return on plan assets	7.44%	6.98%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

Price Waterhouse Chartered Accountants LLP * Mumbai * LLPIN AAC-5001 FRN 012754N/N500016

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

		As at 31st March, 2023		As at 31st March, 2022	
	Change in assumption	**Increase in assumption having an impact on present value of plan liability**	**Decrease in assumption having an impact on present value of plan liability**	**Increase in assumption having an impact on present value of plan liability**	**Decrease in assumption having an impact on present value of plan liability**
Discount rate	1%	(111.30)	124.94	(143.71)	161.47
Salary Escalation Rate	1%	120.71	(110.99)	156.56	(142.64)
Attrition rate	1%	(0.98)	1.03	(4.86)	5.34

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

H. The defined benefit obligations shall mature after year end 31st March, 2023 as follows:

Gratuity :	Defined benefit obligation As at 31st March, 2023	As at 31st March, 2022
1st year	205.21	258.47
2nd year	194.43	148.27
3rd year	255.17	256.94
4th year	336.34	273.09
5th year	259.36	334.14
Thereafter	2415.77	3022.99

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund, employe's state insurance scheme etc in India for employees .The contributions are made to registered fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 313.61 Lakhs. (31st March, 2022 Rs. 335.08 lakhs)

(iii) Compensated absences:

The leave obligations cover the Company's liability for sick and earned leave.
The amount of the provision of Rs 360.87 lakhs for 31st March, 2023 (Rs 406.79 lakhs for 31st March, 2022) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-30 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	As at March 31, 2023	As at March 31, 2022
Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end	442.31	304.44
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	-	-
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	0.97
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

Note 31: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

Note 32: Earnings per share

		Year ended 31st March, 2023	Year ended 31st March, 2022
Basic Earnings Per Share has been computed as under:			
Profit for the year	A	3,312.11	5,871.36
Weighted average number of equity shares for basic EPS (in nos.)	B	52,443,948	52,443,948
Earnings Per Share (Rs.)	A/B	6.32	11.20
Diluted			
Profit for the year	C	3,312.11	5,871.36
Weighted average number of equity shares outstanding for basic EPS (in nos.)		52,443,948	52,443,948
Add: Dilutive potential equity share (Refer Note 12)		-	944,275
Add: Dilutive impact of sub-division of potential equity shares (Refer Note 45)		-	3,777,100
Weighted average number of equity shares for dilutive EPS	D	52,443,948	57,165,323
Dilutive Earnings Per Share (Rs.)	C/D	6.32	10.27
Nominal value per equity share (in Rs.)		2.00	2.00

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 33 :Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2023	As at March 31, 2022
Current Assets		
Floating Charge		
Trade receivables	4,623.70	3,946.88
Inventories	6,705.55	8,659.92
Cash and cash equivalents	170.55	245.49
Others financial asset	705.38	837.47
Other current assets	1,479.10	1,714.74
Total assets pledged as security	**13,684.28**	**15,404.50**

Note 34: Contingent liabilities (to the extent not provided for)

	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	-	102.69
Sales tax Matters	21.35	150.07
Excise and service tax Matters	26.38	26.38
Other Matters	130.05	130.05

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The uncertainties are dependent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 35: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment	672.62	317.28
Less: Capital advances	253.80	53.41
Property, plant and equipment (Net of capital advances)	**418.82**	**263.87**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 36: Fair Value measurement

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	**Amortised Cost**	**FVPL**	**Amortised Cost**
Financial Assets				
Investments	3,526.55	-	-	-
Derivative Financial instruments	-	-	6.66	-
Other Financial Assets	-	1,168.77	-	1,015.18
Trade receivable	-	4,623.70	-	3,946.88
Cash and Cash equivalents	-	170.55	-	245.49
	3,526.55	**5,963.02**	**6.66**	**5,207.55**
Financial Liabilities				
Borrowings	-	735.26	-	840.54
Derivative financial instruments	56.06	-	-	-
Trade Payables	-	4,989.30	-	4,438.61
	56.06	**5,724.56**	-	**5,279.15**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2023		As at March 31, 2022	
	Level 1	**Level 2**	**Level 1**	**Level 2**
Financial Assets				
Investments	3,526.55	-	-	-
Derivative Financial instruments	-	-	-	6.66
Total financial assets	**3,526.55**	-	-	**6.66**
Financial Liabilities				
Derivative financial instruments	-	56.06	-	-
Total financial liabilities	-	**56.06**	-	-

Financial instruments by category
The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 37 : Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the standalone financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

a) Exposure to interest rate risk

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings	735.26	840.54
% of Borrowings bearing variable rate of interest	100%	100%

b) Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on profit before tax

	Year ended 31st March, 2023	Year ended 31st March, 2022
50 bp increase would decrease the profit before tax by	3.68	4.20
50 bp decrease would Increase the profit before tax by	(3.68)	(4.20)

b) Market risk - Foreign Currency risk
The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by Forward Contracts, purchasing of goods, commodities and services in the respective currencies.

(a)Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2023						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	2.96	2,433.66	1.03	927.30	-	-	3,360.96
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.21)	(999.50)	(1.03)	(927.30)	-	-	(1,926.80)
Net Exposure (to the extent of outstanding balance)	**1.75**	**1,434.16**	-	-	-	-	**1,434.16**
Trade Payable	0.19	155.29	-	-	-	-	155.29
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.19**	**155.29**	-	-	-	-	**155.29**

Particulars	As at March 31, 2022						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	3.13	2,371.31	0.85	716.26	-	-	3,087.57
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.20)	(918.74)	(0.29)	(252.83)	-	-	(1,171.57)
Net Exposure (to the extent of outstanding balance)	**1.93**	**1,452.57**	**0.56**	**463.43**	-	-	**1,916.00**
Trade Payable	0.19	145.96	-	-	-	-	145.96
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.19**	**145.96**	-	-	-	-	**145.96**
Packing Credit in Foreign Currency	0.74	561.94	-	-	-	-	561.94
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.74**	**561.94**	-	-	-	-	**561.94**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

(b)Derivative outstanding as at the reporting date

(in Mn.)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Sell	Buy	Sell	Buy
Forward Contracts USD	1.21	-	1.20	-
Forward Contracts EURO*	1.16	-	0.29	-

* The Company has taken forward contracts based on confirm future export sales orders.
Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity
A change of 5% in foreign currency would have following impact on profit before tax

	Year ended 31st March, 2023		Year ended 31st March, 2022	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	113.92	(113.92)	83.17	(83.17)
EURO	46.37	(46.37)	35.81	(35.81)
Increase/ (Decrease) in Profit or Loss	160.29	(160.29)	118.98	(118.98)

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. lakhs, unless stated otherwise)

(c)Price Risk

Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Company's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended 31st March, 2023	Year ended 31st March, 2022
NAV - Increases by 1% *	35.27	-
NAV - Decreases by 1% *	(35.27)	-

* Holding all other variables constant

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes bank deposits and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	377.56	441.03
Less:- Write back of Loss Allowances	(205.51)	(63.47)
As at end of the year	172.05	377.56

Ageing	Expected credit loss % As at March 31, 2023	As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	100%	100%
271-360 days	100%	100%
more than 360 days	100%	100%

ii) Movement in allowances for other receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	83.72	83.72
Less:- Write back of Loss Allowances	(33.60)	-
As at end of the year	50.12	83.72

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Ageing	Expected credit loss %	
	As at March 31, 2023	As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	0%	0%
271-360 days	0%	0%
more than 360 days	100%	100%

C) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2023	As at March 31, 2022
Variable Borrowing -Cash Credit expires within 1 year	8,900.01	5,359.46

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

	As at March 31, 2023				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Current borrowings *	737.17	-	-	-	737.17
Trade payable #	-	4,989.30	-	-	4,989.30
Lease liabilities	-	324.37	1,533.82	46.63	1,904.82
Deposits from dealers, agents etc.	488.63	50.00	-	-	538.63
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,486.91	-	-	1,486.91
Total	1,225.80	6,850.58	1,533.82	46.63	9,656.83

	As at 31 st March, 2022				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Current borrowings *	840.54	-	-	-	840.54
Trade payable #	-	4,438.61	-	-	4,438.61
Lease liabilities	-	311.62	1,660.94	243.87	2,216.43
Deposits from dealers, agents etc.	541.33	50.00	-	-	591.33
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,563.71	-	-	1,563.71
Total	1,381.86	6,363.94	1,660.94	243.87	9,650.61

*does not include interest payable in future years, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Company.
The amounts are payable over a period of 30-90 days as per the credit period with respective vendors

Note-38 Capital risk management

(a) The Company aims to manage its capital efficiently so as to safeguard its ability to continue as going concern and optimise return to shareholder

The capital structure of the Company is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2023	As at March 31, 2022
Net Debt *	1,994.72	2,148.88
Total Equity	16,181.32	12,829.30
Net Debt to total equity	12.33%	16.75%

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents.

(b) Dividend

During the previous year ,the Company had declared interim dividend for the financial year 2021-22 of Rs. 4 each (face value Rs. 2 per share) amounting to Rs. 2,097.76 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

Note 39: Redemption Of 9% Non-Cumulative Convertible Preference

During the previous year, pursuant to the approval of the Board of Directors in their meeting held on September 27, 2021, the Company had exercised its option to redeem NCCPS on October 06, 2021.

Price Waterhouse Chartered Accountants LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs.lakhs, unless stated otherwise)

Note-40 Related parties disclosures as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

(b) **Subsidiary Company**
JK Talabot Limited, India
Ring Plus Aqua Limited, India (Refer Note 47)
Scissors Engineering Products Limited , India (Refer Note 47)

Other related parties with whom transactions have taken place during the year:

(c) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom
Raymond Apparel Limited, India
Raymond Luxury Cotton Limited, India

(d) **Associate Enterprises**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
Raymond Consumer Care Limited,India

Other related parties:

(e) **Key Management Personnel :**

Whole time Director	: Mr. Balasubramanian Vishwanathan (w.e.f 17th November, 2021)
Independent Director	: Mr. Satish Sekhri (w.e.f 17th November, 2021)
Independent Director	: Mr. Vijay Bhatt (w.e.f 17th November, 2021)
Non Executive Director	: Mr. Gautamhari Singhania (w.e.f 17 th November, 2021)
Non Executive Director	: Mr. Ravikant Uppal
Non Executive Director	: Mrs.Rashmi Brijgopal Mundada
Non Executive Director	: Mr. Ganesh Kumar Subramanian (till 16th November, 2021)
Non Executive Director	: Mr. Balasubramanian Vishwanathan (till 16th November, 2021)
Non Executive Director	: Mr. Krishnan Ashwath Narayan (till 17 th November, 2021)

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchases :												
Goods and Materials	-	-	2,673.39	2,215.99	-	-	-	-	-	-	-	-
Purchase of MEIS licence	-	-	2.13	2.65	-	-	-	-	-	-	-	-
Sales :												
Sale of products & services	-	-	911.82	932.33	-	-	-	-	-	-	-	-
Sale of property, plant and equipment	-	-	-	4.19	-	-	-	-	-	-	-	-
Other Income :												
Interest Income on Inter Company loan	-	-	-	-	-	95.88	-	-	-	-	-	-
Dividend received	-	-	-	1,304.81	-	-	-	-	-	-	-	-
Expenses :												
Employee Benefits Expenses:												
Managerial remuneration	-	-	-	-	-	-	-	-	229.69	63.38	-	-
Other Expenses :												
Rent expenses	145.42	145.42	-	-	-	-	-	-	-	-	-	-
Facility Charges	495.00	475.00	-	-	-	-	-	-	-	-	-	-
Directors sitting fees & commission	-	-	-	-	-	-	-	-	42.50	40.00	-	-
Sales Promotion expneses	-	-	-	-	-	-	-	0.30	-	-	-	-
Legal and Professional expenses	-	-	-	-	-	-	-	-	16.00	16.00	-	-
Reimbursement of Expenses:												
Electricity charges	57.25	36.56	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	43.29	36.03	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	90.54	67.14	-	-	-	-	-	-	-	-	-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	-	-	310.72	262.71
Other Receipts :												
Cost of shared manpower	-	-	262.74	19.17	-	-	-	-	-	-	-	-
Reimbursement of expenses	837.85	724.15	6.42	3.35	-	-	-	-	-	-	-	-
Reimbursement of expenses(IPO)	-	802.56	-	-	-	-	-	-	-	-	-	-
Loans given :												
Inter Corporate loan Given	-	-	-	-	-	1,100.00	-	-	-	-	-	-
Inter Corporate loan repayment received	-	-	-	-	-	4,000.00	-	-	-	-	-	-
Redemption of instruments entirely in the nature of Equity	-	2,200.00	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	2,097.76	-	-	-	-	-	-	-	-	-	-

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Nature of transactions	Related Parties									
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Outstandings :										
Trade Payable	-	24.89	665.31	560.50	16.15	16.15	-	-	20.00	20.00
Trade Receivable *	-	-	-	0.67	-	-	13.93	240.88	-	-
Other Financial Assets (Current)*	650.52	802.56	45.82	0.41	-	-	50.12	83.72	-	-

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Purchases :		
Goods and Materials		
J K Talabot Limited	2,673.39	2,215.99
Purchase of DEPB licence		
J K Talabot Limited	2.13	2.65
Sales :		
Sale of products & services		
J K Talabot Limited	906.97	925.54
Ring Plus Aqua Limited.	4.85	6.79
Sale of property,plant and equipment		
J K Talabot Limited	-	4.19
Other Income:		
Interest Income on Inter Company loan		
Raymond Apparel Limited.	-	82.81
Raymond Luxury Cotton Limited.	-	13.07
Dividend received		
J K Talabot Limited	-	1,304.81
Expenses :		
Employee Benefits Expenses:		
Short term employee benefits		
Mr. Balasubramanian Vishwanathan	222.56	60.60
Post employment benefits		
Mr. Balasubramanian Vishwanathan	7.13	2.78

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Other Expenses :		
Rent expenses		
Raymond Limited	145.42	145.42
Facility Charges		
Raymond Limited	495.00	475.00
Director sitting fees & commission		
Director sitting fees		
Mrs. Rashmi Mundada Brijgopal	4.50	4.25
Mr. Ravikant Uppal	3.50	3.75
Mr. Gautam Hari Singhania	1.00	2.00
Mr. Satish Sekhri	7.00	5.00
Mr. Vijay Bhatt	6.50	5.00
Director commission		
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	4.00	4.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00
Sales Promotion expneses		
Raymond Consumer Care Limited	-	0.30
Legal and Professional Expenses		
Mr. Ravikant Uppal	16.00	16.00
Reimbursement of Expenses:		
Electricity charges		
Raymond Limited	57.25	36.56
Legal and Professional Expenses		
Raymond Limited	43.29	36.03
Miscellaneous expenses		
Raymond Limited	90.54	67.14
Ring Plus Aqua Limited.	-	-
Employees Gratuity fund	310.72	262.71

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022
Other Receipts :		
Cost of shared manpower		
J K Talabot Limited	10.74	9.96
Ring Plus Aqua Limited.	252.00	9.21
Reimbursement of expenses		
Raymond Limited	837.85	724.15
Ring Plus Aqua Limited.	4.25	3.35
J K Talabot Limited	2.17	-
Reimbursement of expenses(IPO)		
Raymond Limited	-	802.56
Loans given : #		
Inter Corporate loan Given		
Raymond Apparel Limited.	-	1,100.00
Inter Corporate loan repayment received		
Raymond Apparel Limited.	-	2,000.00
Raymond Luxury Cotton Limited.	-	2,000.00
Redemption of instruments entirely in the nature of Equity		
Raymond Limited	-	2,200.00
Dividend paid		
Raymond Limited	-	2,097.76

The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately.

Outstandings :	As at 31st March, 2023	As at 31st March, 2022
Trade Payable		
Raymond Limited	-	24.89
J K Talabot Limited	665.31	560.50
Raymond Europe Limited	16.15	16.15
Trade Receivable		
P T Jaykay International Indonesia*	13.93	240.88
Ring Plus Aqua Limited.	-	0.67
Other Financial Assets (Current)		
Ring Plus Aqua Limited.	45.82	0.41
P T Jaykay Files Indonesia*	50.12	83.72
Raymond Limited	650.52	802.56
Trade Payable		
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	4.00	4.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2023, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2023	Year ended 31st March, 2022

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables		
P T Jaykay International Indonesia	13.93	240.88
Other Financial Assets		
P T Jaykay Files Indonesia	50.12	83.72

Inter Company loan receivable were provided to group companies to meet their working capital requirements.
Transactions were done in ordinary course of business and on normal terms and conditions.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs.lakhs, unless stated otherwise)

Note 41 :- Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Contribution to operation of Integrated Livestock Development center	25.00	-
Contribution to provide academic support and teacher training	25.00	-
Contribution to morning nutrition programme for children in rural India	10.00	-
Contribution to Construction of childcare units for cancer patients	10.00	-
Contribution for women empowerment, girl education and child development	7.50	-
Contribution to holistic rehabilitation of cancer patients and survivors	1.50	-
Contribution to purchase COVID-19 vaccines	-	27.00
Contribution to purchase computers for child education	-	6.50
Contribution to maternity & child health center	-	16.50
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	79.00	50.00
Total	**79.00**	**50.00**
Amount required to be spent as per Section 135 of the Act	**79.00**	**50.00**
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	79.00	50.00

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at 1st April 2021	Balance unspent as at beginning of the year	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year
For the year ended 31st March, 2023	-	-	79.00	79.00	-
For the year ended 31st March, 2022	-	-	50.00	50.00	-

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 42: Segment Information

In accordance with Accounting Standard Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements of JK Files & Engineering Limited, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Note 43: Analytical Ratios

Sr No.	Ratio	Numerator	Denominator	Unit of measurement	March 2023	March 2022	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	in times	1.81	1.48	22.74%
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	in times	0.13	0.19	-28.31%
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	in times	10.39	16.19	-35.86%
(d)	Return on Equity Ratio	Net Profits after taxes-Preference Dividend	Average shareholder's Equity	in percentages	22.83%	54.90%	-58.41%
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	in times	4.23	3.82	10.66%
(f)	Trade Receivable Turnover Ratio	Net Sales excluding export incentive	Average Trade Receivable	in times	11.42	18.65	-38.76%
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	in times	10.64	9.75	9.19%
(h)	Net Capital turnover Ratio	Net sales	Average Working Capital	in times	6.40	10.03	-36.15%
(i)	Net Profit Ratio	Net Profit	Net sales	in percnetages	6.70%	11.67%	-42.61%
(j)	Return on Capital Employed	Earning before interest and taxes	Capital Employed	in percnetages	25.91%	52.96%	-51.08%
(k)	Return on investment	Earning before interest and taxes	Closing total assets	in percnetages	17.58%	32.43%	-45.79%

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Reasons for variance of more than 25% in above ratios :

Sr No.	Ratio	Reasons for the Variances
(a)	Debt-Equity Ratio	This ratio has reduced due to repayment of short term debt & increase in internal accruals due to market demand in Export market resulting in decrease in profit for the current year.
(b)	Debt Service Coverage Ratio	This ratio has decrease due to reduction of the debt & reduction in profits for the current year due to lower market demand in export market.
(c)	Return on Equity Ratio	This ratio has reduced due to lower market demand in export market resulting in decrease in profit for the current year as compared to previous year .
(d)	Trade Receivable Turnover Ratio	This ratio has decreased due to decrease in sales and increase in average receivables due to increase in credit period majorly in export market.
(e)	Net Capital turnover Ratio	This ratio has decreased due to decrease in turnover on account of lower demand in export market and increase in current investment in mutual funds .
(f)	Net Profit Ratio	This ratio decreased due to lower demand in export market & reduction in profits due to increase in cost on account of inflation .
(g)	Return on Capital Employed	This ratio has decreased due to lower demand in export market leading to lower revenue & increase in capital employed.
(h)	Return on investment	This ratio has decreased due to lower demand in export market leading to lower revenue & increase in total assets employed due to additions to fixed assets and increase in mutual funds investments as compared to previous year.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

Note 44: Name change

During the previous year ,the Board of Directors of the parent Company in their meeting held on September 27, 2021 had approved the change in the name of the Company from JK Files (India) Limited to JK Files & Engineering Limited as approved by Ministry of Company Affairs, effective from 10th November, 2021.

Note 45: Sub-division of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 had approved sub-division of existing authorised share capital of the Company from Rs. 1,700 lakhs consisting of 17,000,000 equity shares of face value of INR 10 each to 85,000,000 equity shares of face value of INR 2 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from Rs. 874.07 lakhs consisting of 8,740,658 equity shares of face value of Rs. 10 each to 43,703,290 equity shares of face value of Rs. 2 each. This was approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 46: Bonus issue of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 had approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company had increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1,048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This was approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 47: Acquisition of subsidiaries

On October 31, 2021, Raymond Limited, the holding Company of JK Files & Engineering Limited (Formerly known as JK Files (India) Limited) transferred by way of delivery, 100% equity share capital of Scissors Engineering Products Limited ('SEPL') to JK Files & Engineering Limited at Nil consideration. Accordingly, effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited.

The aforesaid transaction has been accounted at predecessor's cost i.e. investment cost of Raymond Limited in SEPL as per the accounting policy choice taken by the Company by applying the Ind AS 8- 'Accounting Policies, Change in Accounting Estimates and Errors' with a corresponding credit to the other equity as capital contribution by parent (capital reserve).

Subsequently, SEPL transferred by way of delivery, 89.07% of equity share capital of Ring Plus Aqua Limited ('RPAL'), the then subsidiary of SEPL, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

The aforesaid transaction has been accounted by reallocation of investment cost referred above in SEPL to investment in RPAL on the basis of relative values of SEPL and RPAL considering aforesaid transaction being return of SEPL's capital to the Company.

Note 48: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment, intangible asset and investment property
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

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

(iv) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 49: Exceptional Items

Particulars	Year ended 31st March, 2023 (Refer note no (1) below)	Year ended 31st March, 2022 (Refer note no (2) below)
(i) Gain on sale of Land & Buliding	534.42	1186.83
(ii) Retrenment compensation	796.66	-
Exceptional Items (net) (i-ii)	(262.24)	1186.83

1) During the financial year ended March 31, 2023 ,the Company has disposed its rights in leasehold land (Right of Use Asset) and Building situated of its Pithampur plant on September 16, 2022 , resulting in net gain of Rs 534.42 Lacs . Further,the Company has also given retrenchment compensation amounting to Rs 796.66 lakhs (full and final settlement) to its eligible employees at Pithampur plant in accordance with Section 25FF of Industrial Disputes Act, 1947.

2)During the financial year ended March 31, 2022, the Company had sold its Land and Buiding situated at Kolkata, which had resulted in gain of Rs 1,186.83 Lakhs which was disclosed as exceptional item in the statement of Profit & Loss in the previous year .

Note 50: Events occurring after the reporting period

The Board of Directors vide their meeting held on May 02, 2023, approved sale of its 'right in leasehold land' and building thereon of its Ratnagiri plant having WDV of Rs. 161.69 lakhs and Rs. 364.19 lakhs respectively as at March 31, 2023. The remaining assets of Ratnagiri (mainly plant and machinery) will be transferred to the other locations. Applying the principles of Ind AS 10 'Events after the Reporting Period', the aforesaid event is considered as a non-adjusting subsequent event in these standalone financial statements

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
2nd May , 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May , 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited]

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 42 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai – 400028
T: +91(22) 66691000, F: +91 (22) 66547804 / 07
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 00

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

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

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

   - 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 Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 * Mumbai *

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

Report on Other Legal and Regulatory Requirements

12. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included us in our CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

13. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the audit reports of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 34 to the consolidated financial statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on derivative contracts. Refer Note 17 to the consolidated financial statements. Further, the Group has long-term contracts as at March 31, 2023 for which there were no material foreseeable losses.

iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us in respect of the Holding company and subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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) contain any material misstatement.

v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, is applicable to the Group only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

14. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLZ7017

Mumbai
May 02, 2023

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of JK Files & Engineering Limited [Formerly known as JK Files (India) Limited] (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

Annexure A to Independent Auditor's Report

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 23112433BGYMLZ7017

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Balance Sheet as at March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

		Note No.	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	2(a)	12,841.74	10,988.63
	(b) Right of use assets	2(b)	1,371.72	1,616.30
	(c) Capital work - in - progress	2(c)	455.77	880.13
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other intangible assets	3(b)	0.21	0.90
	(f) Intangible assets under development	3(c)	145.76	-
	(g) Financial assets			
	(i) Investments	4	8.61	8.61
	(ii) Other financial assets	5	500.35	207.60
	(h) Deferred tax assets (net)	29(e)	0.64	51.61
	(i) Current tax assets (net) - non-current	29(b)	346.30	147.23
	(j) Other non-current assets	6	372.17	642.61
	Total non-current assets		**16,122.68**	**14,623.03**
	Current assets			
	(a) Inventories	7	11,959.20	14,088.81
	(b) Financial assets			
	(i) Investments	4	7,484.14	2,257.39
	(ii) Trade receivables	8	11,419.25	8,802.84
	(iii) Cash and cash equivalents	9(a)	1,036.20	807.88
	(iv) Bank balances other than (iii) above	9(b)	18.50	3.78
	(v) Other financial assets	5	663.28	855.66
	(c) Current tax assets (net) -current	29(c)	-	118.10
	(d) Other current assets	10	1,742.45	2,154.20
			34,323.02	**29,088.66**
	(e) Assets held for sale	11	10.55	-
	Total current assets		**34,333.57**	**29,088.66**
	TOTAL ASSETS		**50,456.25**	**43,711.69**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	12	1,048.88	1,048.88
	(b) Other equity	13	27,218.84	20,369.43
	Equity attributable to owners of the Company		**28,267.72**	**21,418.31**
	Non-controlling interests	13	1,904.12	1,473.91
	Total equity		**30,171.84**	**22,892.22**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	2(b)	1,242.92	1,390.22
	(b) Deferred tax liabilities (net)	29(e)	323.04	385.78
	Total non-current liabilities		**1,565.96**	**1,776.00**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	1,454.87	1,752.09
	(ii) Lease liabilities	2(b)	185.17	161.77
	(iii) Trade payables	16	11,886.48	10,421.05
	(iv) Other financial liabilities	17	2,708.24	2,963.02
	(b) Provisions	18	999.90	1,246.06
	(c) Current tax liabilities (net)	29(d)	15.61	387.51
	(d) Other current liabilities	19	1,468.18	2,111.97
	Total current liabilities		**18,718.45**	**19,043.47**
	Total liabilities		**20,284.41**	**20,819.47**
	TOTAL EQUITY AND LIABILITIES		**50,456.25**	**43,711.69**
	SIGNIFICANT ACCOUNTING POLICIES	1B		

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is consolidated balance sheet referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105953
Consolidated Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

		Note No.	Year ended March 31, 2023	Year ended March 31, 2022
I	**Revenue from operations**	20	86,407.89	81,201.40
II	**Other income**	21	789.35	1,646.48
III	**Total income (I+II)**		**87,197.24**	**82,847.88**
IV	**Expenses**			
	Cost of raw materials consumed	22	28,030.63	26,020.35
	Purchases of stock-in-trade	23	5,264.83	5,172.04
	Changes in inventories of work-in progress, finished goods and stock-in-trade	24	1,362.95	(102.28)
	Employee benefits expense	25	10,516.21	10,364.05
	Finance costs	26	299.42	391.06
	Depreciation and amortization expense	27	1,790.06	1,993.17
	Net impairment losses / (reversals) on financial assets	37	(239.11)	(69.96)
	Other expenses	28	29,983.10	28,623.31
	Total expenses (IV)		**77,008.09**	**72,391.74**
V	**Profit before exceptional items and tax (III-IV)**		**10,189.15**	**10,456.14**
VI	**Exceptional Items (net)**	50	(597.21)	1,186.83
VII	**Profit before tax (V+VI)**		**9,591.94**	**11,642.97**
VIII	**Tax expense**	29(a)		
	Current tax		2,430.14	2,922.12
	Deferred tax		(16.46)	212.98
	Tax charge in respect of earlier years		(7.04)	(15.89)
	Total tax expenses (VIII)		**2,406.64**	**3,119.21**
IX	**Profit for the period (VII- VIII)**		**7,185.30**	**8,523.76**
X	**Other comprehensive income / (loss)**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	30	68.64	(101.26)
	Income tax relating to items that will not be reclassified to profit/loss			
	- Income tax relating to items that will not be reclassified to profit/loss		(17.28)	19.64
	Other comprehensive income / (loss) for the period, net of tax		**51.36**	**(81.62)**
XI	**Total comprehensive income for the period (IX+X)**		**7,236.66**	**8,442.14**
	Total comprehensive income for the period (comprising profit and other comprehensive income for the period) attributable to:			
	Owners of the parent		6,811.15	8,003.54
	Non-controlling interests		425.51	438.60
			7,236.66	8,442.14
	Of the total comprehensive income above, profit attributable to:			
	Owners of the parent		6,760.91	8,091.68
	Non-controlling interests		424.39	432.08
			7,185.30	8,523.76
	Of the total comprehensive income above, other comprehensive income / (loss) attributable to:			
	Owners of the parent		50.24	(88.14)
	Non-controlling interests		1.12	6.52
			51.36	(81.62)
XII	**Earnings per equity share (face value of Rs. 2 each) attributable to owners of parent**	32		
	Basic earnings per share (in Rs.)		12.89	15.43
	Diluted earnings per share (in Rs.)		12.89	14.15
	SIGNIFICANT ACCOUNTING POLICIES	1B		

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. Equity Share Capital and Instruments entirely equity in nature

	Note No.	Equity Share Capital	Instruments entirely in the nature of equity
As at April 01, 2021	13	874.07	2,200.00
Change during the year		174.81	(2,200.00)
As at March 31, 2022	13	1,048.88	-
Change during the year		-	-
As at March 31, 2023	13	1,048.88	-

B. Other Equity

	Reserves and surplus					Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at April 01, 2021	314.50	2,859.91	104.40	-	17,719.96	20,998.77	1,963.83	22,962.60
Profit for the year	-	-	-	-	8,091.68	8,091.68	432.08	8,523.76
Other comprehensive income / (loss) for the year	-	-	-	-	(88.14)	(88.14)	6.52	(81.62)
Total comprehensive income for the year	-	-	-	-	8,003.54	8,003.54	438.60	8,442.14
Employee Stock Option Plan Expenses	-	-	40.06	-	-	40.06	4.92	44.98
Issue of Bonus Shares	(174.81)	-	-	-	-	(174.81)	-	(174.81)
Dividends	-	-	-	-	(8,498.13)	(8,498.13)	(933.44)	(9,431.57)
Transfer (to) / from capital redemption reserve	-	-	-	2,200.00	(2,200.00)	-	-	-
Balance as at March 31, 2022	139.69	2,859.91	144.46	2,200.00	15,025.37	20,369.43	1,473.91	21,843.34
Profit for the year	-	-	-	-	6,760.91	6,760.91	424.39	7,185.30
Other comprehensive income / (loss) for the year	-	-	-	-	50.24	50.24	1.12	51.36
Total comprehensive income for the year	-	-	-	-	6,811.15	6,811.15	425.51	7,236.66
Employee Stock Option Plan Expenses	-	-	38.26	-	-	38.26	4.70	42.96
Balance as at March 31, 2023	139.69	2,859.91	182.72	2,200.00	21,836.52	27,218.84	1,904.12	29,122.96

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955

Consolidated Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

		Year ended March 31, 2023		Year ended March 31, 2022	
A.	**Cash flow from operating activities**				
	Profit before tax		10,189.15		10,456.14
	Adjustment for :				
	Depreciation and amortisation expenses	1,790.06		1,993.17	
	Net (gain) / loss on disposal/discard of property, plant and equipment	25.81		(444.08)	
	Interest income	(92.26)		(402.22)	
	Dividend income	(0.04)		0.04	
	Finance costs	299.42		391.06	
	Employee Stock Option Plan Expenses	42.96		44.98	
	Unrealised gain loss on foreign exchange fluctuations	35.10		(86.44)	
	Net gain loss on sale / fair valuation of investments	(179.10)		(78.99)	
	Gain on termination of lease	(1.13)		(104.73)	
	Exceptional Items	(1,118.71)		-	
	Net impairment losses (including reversals) on financial assets	(239.11)		(69.96)	
			563.00		1,242.83
	Operating profit before changes in operating assets and liabilities		10,752.15		11,698.97
	Changes in operating assets and liabilities				
	Decrease /(Increase) in inventory	2,129.61		(542.33)	
	(Increase) in trade receivables	(2,352.01)		(3,717.66)	
	Decrease /(Increase) in other financial assets	216.18		(774.79)	
	Decrease in other assets	548.45		902.27	
	Increase / (Decrease) in trade payables	1,461.09		(204.42)	
	(Decrease) / Increase in trade financial liabilities	(370.22)		314.18	
	(Decrease) / Increase in trade liabilities	(643.79)		147.87	
	(Decrease) in provisions	(177.52)		(113.50)	
			811.79		(3,988.38)
			11,563.94		7,710.59
	Less: Income taxes paid (Net)		(2,875.06)		(2,558.32)
	Net cash flows generated from operating activities		**8,688.88**		**5,152.27**
B.	**Cash flows from Investing Activities**				
	Proceeds from repayment of inter corporate deposit by related parties		-		10,310.00
	Proceeds from sale of property, plant & equipment		943.07		889.68
	Purchase of current investments (net)		(5,047.65)		(734.64)
	Investment in time deposits		(323.05)		(56.13)
	Interest received		62.24		455.17
	Dividend Income		0.04		0.04
	Purchase of property, plant & equipment (including capital work-in-progress and capital advances)		(3,351.05)		(1,835.23)
	Inter Corporate Deposit placed with group companies		-		(1,100.00)
	Net cash flows (used in) / generated from investing activities		**(7,716.40)**		**7,928.85**
C.	**Cash flows from Financing Activities**				
	Redemption of Preference Shares		-		(2,200.00)
	Dividend Paid		-		(9,428.13)
	Repayment of long term borrowings		-		(9.69)
	Repayment of Short term borrowings (net)		(297.22)		(804.84)
	Principal element of lease payments		(162.41)		(112.38)
	Interest on lease liabilities		(149.21)		(167.88)
	Interest paid - others		(135.32)		(209.55)
	Net cash flows used in financing activities		**(744.16)**		**(12,932.47)**
	Net Increase in Cash and Cash Equivalents (A+B+C)		228.32		148.65
	Cash and Cash Equivalents at the beginning of the year		807.88		659.23
	Cash and Cash Equivalents as at the end of the year (Refer note 9(a))		**1,036.20**		**807.88**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Consolidated Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Non-cash financing and investing activities

		Year ended March 31, 2023	Year ended March 31, 2022
	Acquisition of right-of-use assets	61.02	724.15
	Issue of Bonus Shares	-	174.81

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

This is consolidated cash flow statement referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023

1 A. Corporate Information

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) ("the Company") is a public company limited by shares and domiciled in India. The Company and its subsidiaries (together referred to as "the Group") deals in tools and hardware and auto component. The Group have manufacturing facilities at Chiplun, Ratnagiri, Nasik and Vapi. The Registered office of the Company is situated at New Hind House, Narottam Morarjee Marg, Ballard Estate, Mumbai - 400 001.

This Consolidated Financial Statements were authorised for issues in accordance with a resolution of the Board of Directors on May 02, 2023.

1 B. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the periods presented.

(a) Basis of Preparation

(i) The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'IndAS' as notified under pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015, as amended], and other relevant provisions of the Act.
The accounting policies are applied consistently to all the periods presented in the financial statement.

(ii) Historical cost convention
The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities (including derivative instruments) are measured at fair value;
2) assets held for sale – measured at lower of book value or fair value less cost to sell; and
3) defined benefit plans – plan assets measured at fair value.

(iii) New and amended standards adopted by the Group
The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) New amendments issued but not effective
The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.
The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

(v) Current / non-current classification
All assets and liabilities have been classified as current or non-current as per the normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(vi) Rounding of amounts
All the amounts included in the Consolidated Financial Statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest lakhs with two decimal places, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Principles of Consolidation

Subsidiaries:
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are the same as those adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

(d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and Group believe that useful lives of assets are same as those prescribed in Schedule II of the Act, except for plant and machinery and certain vehicles, the useful life for which based on an independent technical evaluation and has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	5 - 8 years
Office equipment	5 years
Computers	3 years

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

(e) Intangible assets

Goodwill generated as part of business combination is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Computer software

Computer softwares are stated at cost, less accumulated amortisation and impairments, if any.

Trademarks

Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method

The Group amortizes intangible assets with a finite useful life using the straight-line method over following period:

Class of assets	Useful life
- Computer Software	: 3 years
- Trademark	: 10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 * Mumbai *

* JK FILES & ENGINEERING LIMITED

(f) Leases

As a lessee

Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Group for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Group where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(g) Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Inventories

Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower'. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

(k) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss,) and
* those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Financial assets are initially recognised when the Group becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group measures its debt instruments in following categories:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the period in which it arises.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Note 38 details how the Group determines whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:
• the Group has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(l) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(m) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(n) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

(o) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(r) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Consolidated Financial Statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Consolidated Financial Statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(s) Revenue from contracts with customers

(i) Sale of Goods

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a normal credit period, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services

Revenue from sale of services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

Cash received before the goods and services are delivered is recognised as a contract liability.

(iii) Financing Components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(t) Employee benefits

(i) Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans

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

(iii) Post-employment obligations

Defined Benefit Plans

The liability or asset recognised at each the balance sheet date in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit or Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in profit or loss as past service cost.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(iv) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b)when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(u) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(v) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the jurisdiction where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the Consolidated Financial Statements. However, deferred tax liabilities are not accounted if they arise from initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

(w) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Group, and makes strategic decisions.

(y) Impairment of non-financial assets:

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(z) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(aa) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Group for the period. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(ab) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(ac) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(ad) Share Based Payments:

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).

The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

1 C. Critical estimates and judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 30)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 7)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 2(a): Property, Plant and Equipment

	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
As at April 01, 2021	4,013.02	15,594.71	198.52	1,190.17	320.76	302.57	21,619.75
Additions	81.84	538.78	7.47	44.20	27.80	61.75	761.84
Disposals / Adjustments	3.01	121.50	65.64	1,153.25	6.53	0.64	1,350.57
As at March 31, 2022	4,091.85	16,011.99	140.35	81.12	342.03	363.68	21,031.02
Additions	311.14	3,188.22	121.03	29.18	67.60	81.72	3,798.89
Disposals / Adjustments	303.91	521.43	1.17	22.00	2.57	11.67	862.75
As at March 31, 2023	4,099.08	18,678.78	260.21	88.30	407.06	433.73	23,967.16
Accumulated depreciation							
As at April 01, 2021	712.18	7,264.84	148.57	575.65	154.29	228.84	9,084.37
Charge for the year	155.98	1,357.95	9.72	210.26	46.21	36.73	1,816.85
Disposals / Adjustments	2.74	81.09	57.01	712.19	5.34	0.46	858.83
As at March 31, 2022	865.42	8,541.70	101.28	73.72	195.16	265.11	10,042.39
Charge for the year	153.81	1,323.82	11.91	3.74	51.28	40.33	1,584.89
Disposals / Adjustments	107.85	362.19	1.10	19.64	1.19	9.89	501.86
As at March 31, 2023	911.38	9,503.33	112.09	57.82	245.25	295.55	11,125.42
Net carrying amount							
As at March 31, 2022	3,226.43	7,470.29	39.07	7.40	146.87	98.57	10,988.63
As at March 31, 2023	3,187.70	9,175.45	148.12	30.48	161.81	138.18	12,841.74

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 2(b): Leases

This note provides information for leases where the Group is a lessee. The Group has leasehold land ranging from 95 to 99 years. The Group has also leased offices, factories and warehouses for which lease terms range from 11 months to 15 years.

(i) Amounts recognised in Consolidated Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at April 01, 2021	498.96	1,370.19	1,869.15
Additions	-	724.15	724.15
Disposals / Adjustments	-	578.65	578.65
As at March 31, 2022	498.96	1,515.69	2,014.65
Reclassification of asset as 'Asset Held for Sale' (Refer note 11)	10.55	-	10.55
Additions	-	61.02	61.02
Disposals / Adjustments	83.51	15.86	99.37
As at March 31, 2023	404.90	1,560.85	1,965.75
II. Accumulated depreciation			
As at April 01, 2021	21.23	421.46	442.69
Charge for the year	7.41	161.44	168.85
Disposals / Adjustments	-	213.19	213.19
As at March 31, 2022	28.64	369.71	398.35
Charge for the year	6.79	197.69	204.48
Disposals / Adjustments	7.86	0.94	8.80
As at March 31, 2023	27.57	566.46	594.03
Net carrying value			
As at March 31, 2022	470.32	1,145.98	1,616.30
As at March 31, 2023	377.33	994.39	1,371.72

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities		
Current	185.17	161.77
Non-current	1,242.92	1,390.22
Total	1,428.09	1,551.99

(ii) Amounts recognised in the Consolidated Statement of Profit and loss

The consolidated statement of profit or loss shows the following amounts relating to leases:

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of right-of-use assets	27		
- Leasehold Land		6.79	7.41
- Buildings		197.69	161.44
Interest expense (included in finance costs)	26	149.21	167.88
Expense relating to short-term leases (included in other expenses)	28(b)	221.54	200.22

The total cash outflow for leases for the year ended March 31, 2023 Rs. 533.16 lakhs; and for the year ended March 31, 2022 was Rs. 480.48 lakhs (including short term lease payments).

(iii) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(c): Capital work - in - progress (CWIP)

	CWIP
Balance as at April 01, 2021	**67.51**
Additions	1,433.23
Capitalization	620.61
Balance as at March 31, 2022	**880.13**
Additions	3,075.72
Capitalization	3,500.08
Balance as at March 31, 2023	**455.77**

Notes:
i) CWIP ageing schedule

Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023	452.97	-	2.80	-	455.77
As at March 31, 2022	877.33	2.80	-	-	880.13

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3(a): Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the CGU - tools and hardware. The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Group has performed an impairment assessment for year ended March 31, 2023 and year ended March 31, 2022 considering profits earned by CGU being significantly higher than carrying amount of goodwill for all the years covered above, thus no impairment on goodwill has been recognised.

Note 3(b): Other Intangible assets

	Computer Software	Brands and trademarks	Total
Gross carrying amount			
As at April 01, 2021	135.07	1,125.00	1,260.07
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2022	135.07	1,125.00	1,260.07
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at March 31, 2023	135.07	1,125.00	1,260.07
Accumulated amortisation			
Accumulated amortisation as at April 01, 2021	126.70	1,125.00	1,251.70
Charge for the year	7.47	-	7.47
Disposals / Adjustments	-	-	-
Accumulated amortisation as at March 31, 2022	134.17	1,125.00	1,259.17
Charge for the year	0.69	-	0.69
Disposals / Adjustments	-	-	-
Accumulated amortisation as at March 31, 2023	134.86	1,125.00	1,259.86
Net carrying amount			
As at March 31, 2022	0.90	-	0.90
As at March 31, 2023	0.21	-	0.21

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3(c): Intangible assets under development

	Intangible assets under development
Balance as at April 01, 2021	-
Additions	-
Capitalization	-
Balance as at March 31, 2022	-
Additions	145.76
Capitalization	-
Balance as at March 31, 2023	**145.76**

Notes:

i) Intangible assets under development ageing schedule:

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023	145.76		-		145.76
As at March 31, 2022	-	-	-	-	-

ii) Actual cost of Intangible assets under development has not exceeded the estimated cost and actual timelines for completion of an projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period.Accordingly, completion schedule is not presented.

iii) Intangible assets under development comprises of ERP Licenses and its implementation Cost.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 4: Investments

Non-current	**As at March 31, 2023**	**As at March 31, 2022**
Investments in equity instruments (Unquoted) - measured at fair value through profit and loss		
10,000 (March 31, 2022 : 10,000) shares of SICOM Limited (Equity Shares of Rs.10 each)	7.91	7.91
7,000 (March 31, 2022 : 7,000) shares of Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	0.70	0.70
421,000 (March 31, 2022 : 421,000) shares of Trinity Auto Component Limited (Equity Shares of Rs.10 each)	-	-
Total	**8.61**	**8.61**
Aggregate value of unquoted investment	8.61	8.61

Current	**As at March 31, 2023**	**As at March 31, 2022**
Investments in Mutual Fund		
Unquoted		
Nil (March 31, 2022 : 280,620.74) Units of Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan	-	955.33
82,019.859 (March 31, 2022 : 39,685.09) Units of Nippon India Ultra Short Duration Fund - Growth Plan	2,830.75	1,302.06
12,857.222 (March 31, 2022 : Nil) Units in Nippon India Liquid Fund - Growth Plan - Growth Option	701.12	-
5,720,131.157 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Crisil IBX AAA - Jun 2023 Index Fund Regular Growth	601.04	-
440,356.192 (March 31, 2022 : Nil) Units in Aditya Birla Sun Life Saving Fund Growth	2,043.94	-
1,370,579.276 (March 31, 2022 : Nil) Units in Kotak Saving Growth Plan (Regular Plan)	503.06	-
1,984.972 (March 31, 2022 : Nil) Units in SBI Magnum Ultra Short Duration Fund Regular Growth	101.13	-
1,702,871.875 (March 31, 2022 : Nil) Units in ICICI Prudential Ultra Short Term Fund Growth	402.09	-
4,569.153 (March 31, 2022: Nil) Units in HDFC Liquid Fund - Regular Plan - Growth	200.31	-
794,695.936 (March 31, 2022: Nil) Units in Axis Ultra Short Term Fund - Regular Growth	100.70	-
Total	**7,484.14**	**2,257.39**
Aggregate amount of unquoted investment	7,484.14	2,257.39

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 5: Other financial assets

Unsecured, considered good (unless otherwise stated)

Non-current	As at March 31, 2023	As at March 31, 2022
Security deposits	120.67	150.97
Margin money deposit with banks*	379.68	56.63
Total	**500.35**	**207.60**

*Refer below
(i) Rs. 0.50 Lakhs (Previous year :- Rs 0.50 Lakhs) held with a Bank as lien with Gujarat Irrigation Department.
(ii) Rs. 379.18 Lakhs (Previous year:- Rs. 56.13 Lakhs) held with banks against various guarantees and letter of credit

Current	As at March 31, 2023	As at March 31, 2022
Security deposits	0.25	0.25
Derivative financial instruments (Refer Note 37)	3.04	25.14
Receivable from related parties *	700.64	886.28
Less: Allowance for doubtful receivable	(50.12)	(83.72)
Interest accrued	9.47	3.95
Other receivables	-	23.76
Total	**663.28**	**855.66**

* includes Initial Public Offer (IPO) expenses reimbursable by the holding company, Raymond Limited (Refer Note 40).

Note 6: Other non-current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Capital advances	271.91	409.41
Less: Allowance for doubtful advances	-	(3.77)
Refund due from government authorities	75.88	247.40
Less: Allowance for doubtful refund	(75.88)	(128.39)
Deposits with government authorities	100.26	117.96
Total	**372.17**	**642.61**

Price Waterhouse Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 7: Inventories

	As at March 31, 2023	As at March 31, 2022
Raw materials	2,721.13	3,052.01
Raw material in transit	-	341.14
Work-in-progress	2,771.96	2,929.31
Finished goods	4,741.32	5,712.34
Stock-in-trade	1,110.84	1,216.14
Stock-in-trade in transit	13.05	142.33
Stores and spares	600.90	695.54
Total	**11,959.20**	**14,088.81**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Reversal of write-down of inventories amounted to Rs. 293.10 lakhs for the year ended March 31, 2023 (Write-down Rs. 542.32 lakhs for the year ended March 31, 2022). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'changes in value of inventories of finished goods, stock- in -trade and work -in- progress' and 'consumption of stores and spares' in the Consolidated Statement of Profit and Loss.

Note 8: Trade receivables

	As at March 31, 2023	As at March 31, 2022
Trade Receivables from related parties (Refer note 40)	13.93	240.88
Trade Receivables from others customers	11,804.77	9,166.92
Less: Loss allowances	(399.45)	(604.96)
Total receivables	**11,419.25**	**8,802.84**

Break-up of security details

	As at March 31, 2023	As at March 31, 2022
Considered good, Secured	169.56	159.10
Considered good, Unsecured	11,649.14	9,248.70
Doubtful	-	-
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**11,818.70**	**9,407.80**
Less: Loss allowances	(399.45)	(604.96)
Total trade receivables	**11,419.25**	**8,802.84**

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023							
(i) Undisputed Trade receivables	9,504.05	1,915.20	59.18	8.62	0.80	142.91	11,630.76
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**9,504.05**	**1,915.20**	**59.18**	**8.62**	**0.80**	**330.85**	**11,818.70**
As at March 31, 2022							
(i) Undisputed Trade receivables	7,796.83	1,037.26	13.96	1.98	1.97	367.86	9,219.86
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**7,796.83**	**1,037.26**	**13.96**	**1.98**	**1.97**	**555.80**	**9,407.80**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 9 (a): Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- In current accounts	1,018.18	754.98
- In deposit accounts	-	50.00
Cash on hand	3.02	2.90
Cheques on hand	15.00	-
Total	**1,036.20**	**807.88**

Note 9 (b): Bank balances other than 9(a) above

	As at March 31, 2023	As at March 31, 2022
Balance in dividend account	3.50	3.78
Deposits with maturity more than three months but less than twelve months	15.00	-
Total	**18.50**	**3.78**

* Includes Rs. 3.44 lakhs (Previous year Rs. 3.44 lakhs) pertaining to unpaid dividend

Note 10: Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Export benefit receivables	408.78	622.14
GST receivable/refundable	673.22	826.43
Advances to suppliers	485.08	553.59
Prepaid expenses	142.00	127.50
Other advances	33.37	24.54
Total	**1,742.45**	**2,154.20**

Note 11: Assets held for sale

	As at March 31, 2023	As at March 31, 2022
Leasehold Land	10.55	-
Total	**10.55**	-

During the financial year, the Board of Directors of subsidiary company, Ring Plus Aqua Limited ("RPAL"), in its meeting held on May 12, 2022 has approved the sale of rights in leasehold land having book value of Rs. 10.55 Lakhs. RPAL entered into an Memorandum of Understanding (MoU) on May 26, 2022 with Kunde Poly Product Private Ltd and has received advance of Rs 131.52 lakhs against proposed sale. The said amount is shown under Note 19 "Other Current Liabilities". The Leasehold land is carried at the book value in accordance with Ind AS 105 - 'Non current asset held for sale and discontinuing operations' being lower than fair value less cost to sale. RPAL is in process of executing document.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 12: Equity Share capital

	As at March 31, 2023	As at March 31, 2022
Authorised		
85,000,000 [March 31, 2022 : 85,000,000] Equity Shares of Rs. 2 each #	1,700.00	1,700.00
2,200,000 [March 31, 2022 : 2,200,000] 9% Non-Cumulative Convertible Preference Shares of Rs.100 each*	2,200.00	2,200.00
Total	**3,900.00**	**3,900.00**
Issued, subscribed and fully paid up		
52,443,948 [March 31, 2022 : 52,443,948] Equity Shares of Rs. 2 each #	1,048.88	1,048.88
Total	**1,048.88**	**1,048.88**

a) Reconciliation of number of shares outstanding

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares #				
Balance as at the beginning of the year	52,443,948	1,048.88	8,740,658	874.07
Add: Impact of sub-division of equity shares #	-	-	34,962,632	-
	52,443,948	1,048.88	43,703,290	874.07
Add: Bonus Shares issued during the year #	-	-	8,740,658	174.81
Balance as at the end of the year	**52,443,948**	**1,048.88**	**52,443,948**	**1,048.88**
Instruments entirely equity in nature				
9% Non-Cumulative Convertible Preference Shares ("Preference Shares" or "NCCPS") *				
Balance as at the beginning of the year	-	-	2,200,000	2,200.00
Less: Redeemed during the year	-	-	(2,200,000)	(2,200.00)
Balance as at the end of the year	-	-	-	-

b) Right, preference and restrictions attached to shares:

i) Equity shares: The Company has only one class of equity shares having par value of Rs. 2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Group after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: During the previous year, pursuant to the approval of Board of Directors in their meeting held on September 27, 2021, the Company had exercised its option and redeemed NCCPS on October 06, 2021.

c) Shares of the Company held by holding company

	As at March 31, 2023	As at March 31, 2022
Equity Shares #		
Raymond Limited, India and its nominees	52,443,948	52,443,948

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares #				
Raymond Limited, India and its nominees	52,443,948	100%	52,443,948	100%

e) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash, other than as disclosed in Note 47.

f) Disclosure of Shareholding of Promoters
Since all the shares of the Company are held by its promoter Raymond Limited and there being no changes in such shareholding as at the end of the each year referred in 12 d) above, hence no separate disclosure is required in respect of 'Disclosure of Shareholding of Promoters'.

* Refer Note 39 for Redemption of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

Refer Note 46 and Note 47 for sub-division of equity shares and issue of bonus shares respectively.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 13: Other Equity

	Reserves and surplus					Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Retained Earnings			
Balance as at April 01, 2021	314.50	2,859.91	104.40	-	17,719.96	20,998.77	1,963.83	22,962.60
Profit for the year	-	-	-	-	8,091.68	8,091.68	432.08	8,523.76
Other comprehensive income / (loss) for the year	-	-	-	-	(88.14)	(88.14)	6.52	(81.62)
Total comprehensive income for the year	-	-	-	-	8,003.54	8,003.54	438.60	8,442.14
Employee Stock Option Plan Expenses	-	-	40.06	-	-	40.06	4.92	44.98
Issue of Bonus Shares	(174.81)	-	-	-	-	(174.81)	-	(174.81)
Dividends	-	-	-	-	(8,498.13)	(8,498.13)	(933.44)	(9,431.57)
Transfer (to) / from capital redemption reserve	-	-	-	2,200.00	(2,200.00)	-	-	-
Balance as at March 31, 2022	139.69	2,859.91	144.46	2,200.00	15,025.37	20,369.43	1,473.91	21,843.34
Profit for the year	-	-	-	-	6,760.91	6,760.91	424.39	7,185.30
Other comprehensive income / (loss) for the year	-	-	-	-	50.24	50.24	1.12	51.36
Total comprehensive income for the year	-	-	-	-	6,811.15	6,811.15	425.51	7,236.66
Employee Stock Option Plan Expenses	-	-	38.26	-	-	38.26	4.70	42.96
Balance as at March 31, 2023	139.69	2,859.91	182.72	2,200.00	21,836.52	27,218.84	1,904.12	29,122.96

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve was created on account of merger of Trinity India Limited with Ring Plus Aqua Limited pursuant to the Scheme of Amalgamation in the financial year 2012-13.

Employee Stock Options Reserve
The Employee Stock Options Reserve is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 49).

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 14: Non current borrowings

	As at March 31, 2023	As at March 31, 2022
Unsecured		
Interest free Deferred Sales tax payment liabilities	-	9.69
Less: Current maturity of long term borrowings (included in Note 15)	-	(9.69)
Total	-	-

The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 33 - Assets pledged as security.

In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company and its subsidiaries with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

The above borrowings have been utilized by the Group for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Group to any other parties.

Note 15: Current borrowings

	Terms of repayment	Interest Rate	As at March 31, 2023	As at March 31, 2022
Loans repayable on demand				
Secured				
From banks				
- Cash credit	Repayable on demand	8.20% ~8.55%	-	279.90
- Packing credit	Repayable on demand	3.63% ~8.20%	501.90	1,311.26
- Buyers Credit Loan	Repayable Rs. 163.09 lacs on Dec 1, 2023; Rs. 196.92 lacs on June 27, 2023 Rs. 359.6 lacs on April 12, 2023	0.90% to 4.11%	724.43	154.08
(The above borrowings are secured by way of first pari passu charge on all current assets of the respective companies to whom above facilities has been granted)				
From Financial Institutions				
-Channel Financing (Refer Note iv below)	Repayable on demand		235.27	-
Current maturities of long-term debt (Refer Note 14)			-	9.69
Total current borrowings			**1,461.60**	**1,754.93**
Less: Interest accrued but not due on borrowings (included in Note 17)			(6.73)	(2.84)
Total			**1,454.87**	**1,752.09**

(i) The carrying amounts of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note 33 - Assets pledged as security.

(ii) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the Group for meeting requirement as per the terms of the loans and has not been further advanced or loaned by the Group to any other parties.

(iv) The Group has availed Channel Financing arrangement for its customers from a financial institution, for which it has provided a first loss default guarantee. As per the terms of this facility, should the customers default in making payment, the contractual first loss default guarantee of 15% will be invoked on the Group by the financial institution. The total amount of contractual cash flow associated with this arrangement and outstanding as at March 31, 2023 is Rs. 235.27 lakhs (Previous Year: Nil), which has been disclosed under current borrowings.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Net debt reconciliation	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	(1,036.20)	(807.88)
Current borrowings	1,454.87	1,752.09
Non current borrowings	-	-
Interest accrued but not due on borrowings	6.73	2.84
Lease liabilities	1,428.09	1,551.99
Net debt	1,853.49	2,499.04

	Other assets	Liabilities from financing activities			
	Cash and Cash equivalents	Lease liabilities	Non current borrowings (Including interest accrued)	Current borrowings (Including interest accrued)	Total
Net Debt as at April 01, 2021	(659.23)	1,410.43	9.69	2,559.16	3,320.05
Cash flows	(148.65)	(112.38)	(9.69)	(804.84)	(1,075.56)
Non - Cash movement	-	253.94	-	-	253.94
Interest expense	-	167.88	-	151.86	319.74
Interest paid	-	(167.88)	-	(151.25)	(319.13)
Net Debt as at March 31, 2022	(807.88)	1,551.99	-	1,754.93	2,499.04
Cash flows	(228.32)	(162.41)	-	(297.22)	(687.95)
Other non-cash movements:					
- Acquisitions / Disposals	-	38.51	-	-	38.51
Interest expense	-	149.21	-	86.49	235.70
Interest paid	-	(149.21)	-	(82.60)	(231.81)
Net Debt as at March 31, 2023	(1,036.20)	1,428.09	-	1,461.60	1,853.49

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 16: Trade payables

	As at March 31, 2023	As at March 31, 2022
Trade payables	11,886.48	10,421.05
Total	**11,886.48**	**10,421.05**

Note:

Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2023	1,584.65	6,176.40	4,019.90	36.34	24.55	44.64	11,886.48
As at March 31, 2022	2,047.75	5,350.18	2,954.32	14.00	31.20	23.60	10,421.05

There are no disputed trade payables.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 17: Other current financial liabilities

	As at March 23, 2023	As at March 31, 2022
Unclaimed dividends (Refer Note below)	3.44	3.44
Interest accrued but not due on borrowings	6.73	2.84
Capital creditors	93.83	58.32
Deposits from dealers, agents etc.	557.37	591.33
Employee benefits payable	1,920.22	2,118.24
Derivative financial instruments (Refer Note 37)	76.04	0.98
Payable to related parties (Refer Note 40)	-	58.32
Other payables	50.61	129.55
Total	**2,708.24**	**2,963.02**

Note:
There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Note 18: Provisions

	As at March 23, 2023	As at March 31, 2022
Provision for employee benefits (Refer note 30)		
-Gratuity	466.79	666.56
-Compensated absences	533.11	579.50
Total	**999.90**	**1,246.06**

Note 19: Other current liabilities

	As at March 23, 2023	As at March 31, 2022
Contract liabilities *	767.42	1,426.02
Advance against assets held for sale (Refer note 11)	131.52	-
Statutory dues payable	226.21	352.52
Refund liabilities	108.98	86.38
Stamp duty payable	177.80	177.80
Other payables	56.25	69.25
Total	**1,468.18**	**2,111.97**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

Price Waterhouse Chartered Accountants LLP FRN 012754N/N500016 * Mumbai *

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 20: Revenue from operations

	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	31,981.70	27,062.84
(ii) Manufactured goods - Export	42,823.94	43,450.61
(iii) Stock-in trade- Domestic	6,198.80	5,322.68
(iv) Stock-in trade- Export	737.38	735.13
Total (A)	**81,741.82**	**76,571.26**
Sale of Services - recognised over a period of time	409.39	688.12
Total (B)	**409.39**	**688.12**
Revenue from contracts with customers (A+B) (C)	**82,151.21**	**77,259.38**
Other operating revenue		
(i) Export Incentives	909.83	968.37
(ii) Process waste sale	3,328.82	2,870.31
(iii) Others	18.03	103.34
Total (D)	**4,256.68**	**3,942.02**
Total (C + D)	**86,407.89**	**81,201.40**

Notes:

(i) Disaggregation of revenue from contracts with customers:

The Group derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended March 31, 2023	Year ended March 31, 2022
India	38,180.50	32,385.52
Africa	7,620.04	6,967.14
America	16,556.48	18,858.89
Asia (excluding India)	6,933.63	7,179.90
Europe	12,833.72	11,826.11
Australia	26.84	41.82
Total	**82,151.21**	**77,259.38**

The Group derives revenue from the transfer of following goods and services:

	Year ended March 31, 2023	Year ended March 31, 2022
Tools & Hardware		
Files	26,469.48	29,741.25
Drills	11,712.93	9,828.90
Hand tools and power tool accessories	5,366.28	4,714.01
Power tool machines	1,560.97	1,312.25
Others	2,168.15	2,303.10
	47,277.81	47,899.50
Auto Components and Engineering Products		
Ring Gears	25,271.94	20,952.56
Flexplates	2,818.74	2,278.57
Water Pump Bearings	6,221.80	5,246.10
Others	151.53	194.53
	34,464.01	28,671.76
Sale of Products (A)	**81,741.82**	**76,571.26**
Sale of Services (B)	409.39	688.12
Revenue from contracts with customers (A + B)	**82,151.21**	**77,259.38**

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	As at March 31, 2023	As at March 31, 2022
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	3.96	85.18
	3.96	**85.18**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. Lakhs, unless stated otherwise)

(iv) Reconciliation of revenue recognised with contract price:

	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	84,706.71	79,268.74
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,555.50)	(2,009.36)
Total	82,151.21	77,259.38

Note 21: Other income

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income		
- on financial assets at amortised cost	67.76	399.77
- on income tax / sales tax refund	24.50	1.00
- others	-	1.45
Dividend Income	0.04	0.04
Net gain on foreign exchange fluctuations	42.30	190.55
Net gain on disposal/discard of property, plant and equipment	-	444.08
Net gain on sale / fair valuation of investments	179.10	78.99
Gain on termination of lease	1.13	104.74
Miscellaneous Income	474.52	425.86
Total	**789.35**	**1,646.48**

Note 22: Cost of raw materials consumed

	Year ended March 31, 2023	Year ended March 31, 2022
Raw material at the beginning of the year	3,393.15	2,883.76
Purchases	27,358.61	26,529.74
Less : Raw material at the end of the year	2,721.13	3,393.15
Total	**28,030.63**	**26,020.35**

Note 23: Purchases of Stock-in-Trade

	Year ended March 31, 2023	Year ended March 31, 2022
Purchases of stock-in-trade	5,264.83	5,172.04
Total	5,264.83	5,172.04

Note 24: Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended March 31, 2023	Year ended March 31, 2022
Opening inventories		
Work-in-progress	2,929.31	2,729.93
Finished goods	5,712.34	6,117.29
Stock-in-trade	1,358.47	1,050.62
	10,000.12	**9,897.84**
Closing inventories		
Work-in-progress	2,771.96	2,929.31
Finished goods	4,741.32	5,712.34
Stock-in-trade	1,123.89	1,358.47
	8,637.17	**10,000.12**
Total	**1,362.95**	**(102.28)**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 25: Employee benefits expense

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	9,125.74	9,001.74
Gratuity expense (Refer note 30)	232.97	229.98
Contribution to provident and other funds (Refer note 30)	493.97	580.96
Employee Stock Option Plan Expenses	42.96	44.98
Workmen and staff welfare expenses	620.57	506.39
Total	**10,516.21**	**10,364.05**

Note 26: Finance costs

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on lease liabilities	149.21	167.88
Interest expense on current borrowings	86.49	151.86
Interest on shortfall of advance tax	11.00	13.02
Interest expense - Others	31.13	58.30
Exchange difference regarded as adjustment to the borrowing cost	21.59	-
Total	**299.42**	**391.06**

Note 27: Depreciation and amortization expense

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	1,584.89	1,816.85
Depreciation on right-of-use assets	204.48	168.85
Amortization of intangible assets	0.69	7.47
Total	**1,790.06**	**1,993.17**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 28: Other Expenses

Note-28 (a): Manufacturing and Operating expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spare parts	6,369.75	6,577.20
Power and fuel	3,702.57	3,638.81
Job work charges	5,675.94	5,033.32
Payment to labour contractor	3,690.25	3,760.80
Repairs to buildings	136.62	142.05
Repairs to machinery	484.00	489.14
Other Manufacturing and Operating expenses	463.39	377.71
Total (A)	**20,522.52**	**20,019.03**

Note 28 (b): Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Rent	221.54	200.22
Insurance	294.66	280.83
Repairs and maintenance others	111.16	91.47
Rates and taxes	58.66	31.28
Commission to selling agents	877.34	862.46
Freight and octroi	4,061.74	4,247.22
Legal and professional expenses	475.47	366.98
IT outsourced support services	188.87	184.86
Travelling and conveyance	546.03	256.84
Advertisement and Sales Promotion expenses	286.27	117.46
Directors Sitting fees & Commission	76.95	84.75
Net loss on disposal/discard of property, plant and equipment	25.81	-
Facility Charges (Refer note 40)	847.00	692.00
Net loss on foreign exchange fluctuations	133.66	-
Corporate Social Responsibility	148.00	118.00
Bad debts, deposits and advances written off	14.66	36.26
Less: Loss allowances there against	(14.66)	(36.26)
Software expenses	70.10	51.90
Security charges	219.82	287.86
Communication expenses	49.43	32.42
Printing and stationery expenses	34.92	43.09
Motor car expenses	50.90	70.23
Miscellaneous expenses	682.25	584.41
Total (B)	**9,460.58**	**8,604.28**
Total (A + B)	**29,983.10**	**28,623.31**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 29(a): Income Taxes

Tax expense recognised in the Consolidated Statement of Profit and Loss

	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current year	2,430.14	2,922.12
Adjustments for prior periods	(7.04)	(15.89)
Total current tax	**2,423.10**	**2,906.23**
Deferred tax		
Decrease in deferred tax assets (net)	54.30	163.90
Increase / (decrease) in deferred tax liabilities (net)	(70.76)	49.08
Total deferred tax	**(16.46)**	**212.98**
Total income tax expense	**2,406.64**	**3,119.21**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Group is as follows :

Reconciliation of effective tax rate	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	9,591.94	11,642.97
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	2,414.10	2,930.30
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	40.02	32.98
Additional capital gain tax on differential amount	-	200.97
Adjustment for differential Tax inrespect of Capital Gain	(6.65)	-
Differential tax rate in respect of capital gains	-	(22.95)
Adjustments for prior periods	(7.04)	(15.89)
Capital Gain set-off against unutilised tax assets (refer below table on unrecognised carry fo	(30.23)	-
Changes in tax rate	-	-
Others	(3.56)	(6.20)
Total income tax expense	**2,406.64**	**3,119.21**

Consequent to reconciliation items shown above, the effective tax rate is 25.09% (2021-22: 26.79%)

Note 29(b): Current tax assets (net) - non-current

	As at March 23, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. 7,455.36 lakhs (March 31, 2022: Rs. 5,626.01 lakhs)	346.30	147.23
	346.30	**147.23**

Note 29(c): Current tax assets (net) - current

	As at March 23, 2023	As at March 31, 2022
Current tax assets (net of provision of Rs. Nil (March 31, 2022: Rs. 485.12)	-	118.10
	-	**118.10**

Note 29(d): Current tax liabilities (net)

	As at March 23, 2023	As at March 31, 2022
Current tax liabilities (net of taxes paid of Rs. 752.84 lakhs (March 31, 2022: Rs. 1,976.40 lakhs)	15.61	387.51
	15.61	**387.51**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 29(e): Deferred tax

Deferred tax assets (net)

Movement during the year ended March 31, 2022 and March 31, 2023

Particulars	As at April 01, 2021	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2022	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2023
Deferred tax assets on account of :					
Amounts allowable for tax purpose on payment basis	92.24	10.15	102.39	(11.56)	90.83
Allowances for doubtful receivable and advances	132.08	(15.98)	116.10	(60.18)	55.92
Amount paid under voluntary retirement scheme	138.31	(136.85)	1.46	(1.46)	-
Lease Liabilities	355.02	35.63	390.65	(31.18)	359.47
Other temporary differences	57.42	(57.42)	-	-	-
	775.07	**(164.47)**	**610.60**	**(104.38)**	**506.22**
Deferred tax (liabilities) on account of:					
Property plant and equipment and intangible assets	(320.76)	50.22	(270.54)	11.93	(258.61)
Right-of-use Assets	(238.80)	(49.65)	(288.45)	38.15	(250.30)
	(559.56)	**0.57**	**(558.99)**	**50.08**	**(508.91)**
Deferred tax assets (net)	**215.51**	**(163.90)**	**51.61**	**(54.30)**	**(2.69)**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 29(e): Deferred tax

Deferred tax liabilities (net)

Movement during the year ended March 31, 2022 and March 31, 2023

Particulars	As at April 01, 2021	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2022	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2023
Deferred tax assets on account of :							
Amounts allowable for tax purpose on payment basis	182.49	-	(23.33)	159.16	(4.68)	31.73	186.21
Allowances for doubtful receivable and advances	103.77	-	(8.05)	95.72	-	39.32	135.04
Unabsorbed depreciation and unused tax losses	-	-	-	-	-	6.55	6.55
	286.26	-	**(31.38)**	**254.88**	**(4.68)**	**77.60**	**327.80**
Deferred tax (liabilities) on account of:							
Property plant and equipment and intangible assets	(619.76)	-	(20.90)	(640.66)	-	(6.84)	(647.50)
Financial assets at fair value through profit or loss	(3.20)	-	3.20	-	-	-	-
	(622.96)	-	**(17.70)**	**(640.66)**	-	**(6.84)**	**(647.50)**
Deferred tax liabilities (net)	**(336.70)**	-	**(49.08)**	**(385.78)**	**(4.68)**	**70.76**	**(319.70)**

Notes:
(i) The Group has not recognised deferred tax liability in respect of taxable temporary difference associated with its investment in the subsidiaries arising on account of the undistributed profits of the subsidiaries amounting to Rs. 11,458.74 lakhs (March 31, 2022: Rs. 7,999.70 lakhs).

During the previous year ended March 31, 2022, JK Talabot Limited had declared one off dividend by utilising 75.54 % of its cumulative earnings and which has been passed on by the Company to its parent company. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the Company in respect of the dividend received.

During the previous year ended March 31, 2022, Ring Plus Aqua Limited had declared one off dividend by utilising 55.48 % of its cumulative earnings and basis such dividend received, its erstwhile parent Scissors Engineering Products Limited(SEPL) had also declared one off dividend by utilising 99.62 % of dividend so received to its then erstwhile parent Raymond Limited. As per the provisions of section 80M of the Income Tax Act, 1961, there will be no tax liability on the SEPL in respect of the dividend received. (Also Refer Note 48)

The Group believes that it is able to control the timing of reversal of the such taxable temporary differences arising on account of undistributed profits of the subsidiaries and it is probable that such temporary differences will not reverse in the foreseeable future.

(ii) Deferred tax on carried forward unabsorbed capital losses as detailed below has not been considered for recognition of deferred tax asset, as their is no certainty around availability of sufficient future taxable capital gains to offset such capital losses.

Assessment Year (A.Y.)	Capital Loss	Loss Carried forward for upto A.Y.
2016-17	1,039.11	2024-25
2017-18	73.61	2025-26

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 30: Post retirement benefit plans
(i) Defined benefit plans - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service, subject to ceiling of Rs. 20.00 lakhs. The gratuity plan is funded plan and the Group makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

Gratuity	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	(3,302.73)	(3,729.77)
Fair value of plan assets	2,835.94	3,063.21
Net defined benefit obligation	**(466.79)**	**(666.56)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2023			As at March 31, 2022		
	Present value of obligation	Fair value of plan assets	Net	Present value of obligation	Fair value of plan assets	Net
As at beginning of the year	(3,729.77)	3063.21	(666.56)	(3,394.64)	2680.89	(713.75)
Current service cost (including past service cost)	(185.08)	-	(185.08)	(177.64)	-	(177.64)
Interest (cost) / income	(261.20)	215.02	(46.18)	(229.09)	181.69	(47.40)
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(36.79)	(36.79)	-	13.70	13.70
Gain/(loss) arising from changes in demographic assumptions	-	-	-	(0.63)	-	(0.63)
Gain/(loss) arising from changes in financial assumptions	91.91	-	91.91	1.97	-	1.97
Gain/(loss) arising from experience adjustments	13.52	-	13.52	(116.30)	-	(116.30)
Employer contributions	-	360.60	360.60	-	378.43	378.43
Benefit payments	764.39	(764.39)	-	186.56	(186.56)	-
Benefit paid directly by the Employer	3.50	-	3.50	-	-	-
	(3,302.73)	2,837.65	(465.08)	(3,729.77)	3,068.15	(661.62)
Plan Assets - Not Recognised *	-	(1.71)	(1.71)	-	(4.94)	(4.94)
As at end of the year	(3,302.73)	2,835.94	(466.79)	(3,729.77)	3,063.21	(666.56)

*During the previous year, surplus of assets over liabilities in JK Talabot Limited ('subsidiary company) of Rs. 4.94 lakhs netted above has not been recognised on the basis that future economic benefits are not available to the subsidiary company in the form of a reduction in future contributions or cash refunds.

The present value of obligation at each balance sheet date above relates to active employees.

C. The Group expects to contribute Rs. 265.49 lakhs to the funded plans in financial year 2023-24 (2022-23: Rs. 327.90 lakhs) for gratuity

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

D. Statement of Profit and Loss

	Year ended March 31, 2023	Year ended March 31, 2022
Employee Benefit Expenses:		
Current service cost (including past service cost)	185.08	177.64
	185.08	**177.64**
Interest Cost (net of interest earned)	46.18	47.40
Surplus of assets over liabilities in subsidiary company not recognised	1.71	4.94
Net impact on the Profit before tax	**232.97**	**229.98**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(36.79)	13.70
Gains/(losses) arising from changes in demographic	-	(0.63)
Gains/(losses) arising from changes in financial assumptions	91.91	1.97
Gains/(losses) arising from experience adjustments	13.52	(116.30)
Net impact on the Other Comprehensive Income before tax	**68.64**	**(101.26)**

E. Assets

	As at March 31, 2023	As at March 31, 2022
Insurer managed fund	2,837.65	3,068.15
Total	**2,837.65**	**3,068.15**

F. Significant Estimate: Actuarial assumptions

	As at March 31, 2023	As at March 31, 2022
Financial assumptions		
Discount rate	7.44% ~ 7.50%	6.98% ~ 7.35%
Salary growth rate	7.50%	6.50% ~ 7.5%
Attrition rate - with respect to Ring Plus Aqua Limited	For Workers 2% For Staff 15%, 10% & 5%	For Workers 2% For Staff 15%, 10% & 5%
Attrition rate - with respect to other entities of group	2.00%	2.00%
Return on plan assets	7.44% ~ 7.50%	6.98% ~ 7.35%

Demographic assumptions
Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban) Table

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

G. Significant Estimate: Sensitivity of actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions is:

	Change in assumption	As at March 31, 2023		As at March 31, 2022	
		Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation
Discount rate	1%	(207.62)	237.06	(244.92)	279.59
Salary growth rate	1%	231.06	(207.53)	271.96	(243.59)
Attrition rate	1%	(1.36)	1.43	(7.75)	8.55

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

The weighted average duration of the defined benefit obligation is 7 to 20 years (31 March, 2022 : 8 to 20 years).

H. The defined benefit obligations shall mature after year end March 31, 2023 and March 31, 2022 as follows:

Gratuity :	Defined benefit obligation As at March 31, 2023	As at March 31, 2022
1st year	264.03	333.99
2nd year	248.26	202.84
3rd year	335.16	327.77
4th year	411.42	356.66
5th year	355.21	406.72
Thereafter	4,002.71	4,564.19

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Group also has certain defined contribution plans. Contributions are made to provident fund, employees state insurance scheme for employees .The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the Year towards defined contribution plan is Rs. 493.97 lakhs (March 31,2022 - Rs.580.96 lakhs).

(iii) Compensated absences:

The leave obligations cover the Group's liability for sick and earned leave, which are classified as other long term benefits and which are actuarially valued at each year end by applying the assumptions referred in '(i)(F)' above.

The entire amount of the provision of Rs. 533.11 lakhs (March 31,2022- Rs. 579.50 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 31: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 32: Earnings per share

		Year ended March 31, 2023	Year ended March 31, 2022
Basic earnings per share has been computed as under:			
Profit for the year attributable to owners of the parent	A	6,760.91	8,091.68
Weighted average number of equity shares outstanding (in nos.)		52,443,948	52,443,948
Weighted average number of equity shares for basic EPS	B	52,443,948	52,443,948
Earnings per share (Rs.)	A/B	12.89	15.43
Diluted earnings per share has been computed as under:			
Profit for the year attributable owners of the parent	C	6,760.91	8,091.68
Weighted average number of equity shares outstanding for basic EPS (in nos.)		52,443,948	52,443,948
Add: Dilutive potential equity share (Refer Note 12)		-	944,275
Add: Dilutive impact of sub-division of potential equity shares (Refer Note 46)		-	3,777,100
Weighted average number of equity shares for dilutive EPS	D	52,443,948	57,165,323
Dilutive Earnings Per Share (Rs.)	C/D	12.89	14.15
Nominal value per equity share (in Rs.) (Refer Note 46)		2.00	2.00

Note 33: Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2023	As at March 31, 2022
Current assets		
Floating Charge		
Trade receivables	11,419.25	8,802.84
Inventories	11,959.20	14,088.81
Cash and cash equivalents	170.55	245.49
Other financial asset	705.38	837.47
Other current assets	1,479.10	1,714.74
Total assets pledged as security	**25,733.48**	**25,689.35**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 34: Contingent liabilities

Contingent Liabilities	**As at March 31, 2023**	**As at March 31, 2022**
(i) Claims against the Group not acknowledged as debts in respect of:		
Income tax matters	116.95	116.95
Sales tax matters	24.07	238.11
Excise and service tax matters	26.38	26.38
Other matters *	130.05	130.05

* Amount pertains to various labour related matters.

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Group believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Group will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

Note 35: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the each period but not recognised as liabilities is as follows:

	As at March 31, 2023	**As at March 31, 2022**
Property, plant and equipment (net of capital advances)	635.17	1,077.17

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
★ Mumbai ★

★ JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 36: Fair Value measurements

Financial instruments by category

	As at March 31, 2023		As at March 31, 2022	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Investments	7,492.75	-	2,266.00	-
Derivative financial instruments	3.04		25.14	-
Other Financial Assets	-	1,160.59	-	1,038.12
Trade receivable	-	11,419.24	-	8,802.84
Cash and Cash equivalents	-	1,036.20	-	807.88
Bank Balance other than above	-	18.50	-	3.78
	7,495.79	13,634.53	2,291.14	10,652.62
Financial Liabilities				
Borrowings	-	1,454.87	-	1,752.09
Derivative financial instruments	76.04	-	0.98	-
Other Financial Liabilities	-	2,632.20	-	2,962.04
Trade Payables	-	11,886.48	-	10,421.05
	76.04	15,973.55	0.98	15,135.18

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments	7,484.14	-	8.61	2,257.39	-	8.61
Derivative financial instruments	-	3.04	-	-	25.14	-
Total financial assets	7,484.14	3.04	8.61	2,257.39	25.14	8.61
Financial Liabilities						
Derivative financial instruments	-	76.04	-	-	0.98	-
Total financial liabilities	-	76.04	-	-	0.98	-

Financial Instruments by category

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other bank balances, other current financial asset (other than derivative), trade payable and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 37: Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Group financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, the Group performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year.

Exposure to interest rate risk

Particulars	As at March 31, 2023	As at March 31, 2022
Total borrowings (non-current and current)	1,454.87	1,752.09
% of Borrowings bearing variable rate of interest	50%	91%

Interest rate sensitivity

A change of 50 bps in interest rates would have following impact on profit before tax

	Year ended March 31, 2023	Year ended March 31, 2022
50 bp increase would decrease the profit before tax by	3.65	7.94
50 bp decrease would Increase the profit before tax by	(3.65)	(7.94)

b) Foreign Currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by foreign exchange forward contracts in the respective currencies.

Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2023								
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	YEN (in Mn.)	In Rs.	Total (In Rs.)
Trade Receivable	4.59	3,773.00	3.35	3,019.32	0.01	10.14	-	-	6,802.46
Offset by Derivatives : Foreign Exchange Forwards Contracts	(2.31)	(1,903.90)	(2.09)	(1,764.57)	-	-	-	-	(3,668.47)
Net exposure (To the extent of outstanding balance)	**2.28**	**1,869.10**	**1.26**	**1,254.75**	**0.01**	**10.14**	-	-	**3,133.99**
Trade Payable	0.31	254.77	0.01	7.20	-	-	-	-	261.97
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**0.31**	**254.77**	**0.01**	**7.20**	-	-	-	-	**261.97**
Buyers Credit	-	-	4.02	361.92	-	-	58.00	358.96	720.88
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	-	-	**4.02**	**361.92**	-	-	-	-	**720.88**

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Particulars	As at March 31, 2022						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	4.22	3,197.60	2.70	2,294.67	0.01	8.96	5,501.23
Offset by Derivatives : Foreign Exchange Forwards Contracts	(2.29)	(1,744.96)	(0.93)	(792.11)	-	-	(2,537.07)
Net exposure (To the extent of outstanding balance)	**1.93**	**1,452.64**	**1.77**	**1,502.56**	**0.01**	**8.96**	**2,964.16**
Trade Payable	0.27	207.36	-	-	-	-	207.36
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**0.27**	**207.36**	-	-	-	-	**207.36**
Packing Credit in Foreign Currency	0.74	561.94	-	-	-	-	561.94
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**0.74**	**561.94**	-	-	-	-	**561.94**
Buyers Credit	-	-	0.18	154.93	-	-	154.93
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	-	-	**0.18**	**154.93**	-	-	**154.93**

Note: Transaction in other foreign currencies below rounding off norms adopted by the Group are not reported above.

Derivative outstanding as at the reporting date

(Foreign Currency in million)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Sell	Buy	Sell	Buy
Forward Contracts USD	2.31	-	2.29	0.27
Forward Contracts EURO	2.09	-	0.93	-

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity

A change of 5% in foreign currency would have following impact on profit before tax

	Year ended March 31, 2023		Year ended March 31, 2022	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	175.91	(175.91)	121.42	(121.42)
EURO	132.51	(132.51)	122.48	(122.48)
GBP	0.51	(0.51)	0.45	(0.45)
YEN	(17.95)	17.95	-	-
Increase/Decrease in Profit or Loss	290.98	(290.98)	244.34	(244.34)

c) Price risk
Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity
The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended March 31, 2023	Year ended March 31, 2022
NAV - Increases by 1% *	74.84	22.57
NAV - Decreases by 1% *	(74.84)	(22.57)

* Holding all other variables constant

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. Lakhs, unless stated otherwise)

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group.
The Group is exposed to credit risk from its operating activities (primarily trade receivables) , security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	604.96	711.18
Less:- Write back of Loss Allowances	(205.51)	(69.96)
Less:- Allowances utilised against bad debts (Refer Note 28(b))	-	(36.26)
As at end of the year	399.45	604.96

Ageing	Expected credit loss %	
	As at March 31, 2023	As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	100%	100%
271-360 days	100%	100%
more than 360 days	100%	100%

ii) Movement in allowances for other receivables

	As at March 31, 2023	As at March 31, 2022
As at beginning of the year	83.72	83.72
Add:- Loss Allowances	(33.60)	-
As at end of the year	50.12	83.72

Ageing	Expected credit loss %	
	As at March 31, 2023	As at March 31, 2022
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	0%	0%
271-360 days	0%	0%
more than 360 days	100%	100%

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

C) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements

The Group had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing - cash credit (expires within 1 year)	11,550.40	7,957.15

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, these facilities may be drawn at any time in INR.

Maturities of financial liabilities

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

	As at March 31, 2023				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Long term borrowings (Including current maturity of long term borrowing)	-	-	-	-	-
Current borrowings (including Interest Accrued) *	1,461.60	-	-	-	1,461.60
Trade payable #	-	11,886.48	-	-	11,886.48
Lease liabilities	-	324.37	1,533.82	46.63	1,904.82
Deposits from dealers, agents etc.	507.37	50.00	-	-	557.37
Other financial liabilities (excluding Interest, Deposits from dealers, agents etc.)	3.44	2,140.70	-	-	2,144.14
Total	1,972.41	14,401.55	1,533.82	46.63	17,954.41

	As at March 31, 2022				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Long term borrowings (Including current maturity of long term borrowing)	-	9.69	-	-	9.69
Current borrowings (including Interest Accrued) *	1,745.24	-	-	-	1,745.24
Trade payable #	-	10,421.05	-	-	10,421.05
Lease liabilities	-	311.62	1,660.94	243.87	2,216.43
Deposits from dealers, agents etc.	541.33	50.00	-	-	591.33
Other financial liabilities (excluding Interest, Deposits from dealers, agents etc.)	3.44	2,365.41	-	-	2,368.85
Total	2,290.01	13,157.77	1,660.94	243.87	17,352.59

*does not include interest payable in future periods, since they are repayable on demand and contractual payment to be made in respect of interest is not accurately determinable considering balance vary based on the fund requirements of the Group.
The amounts are payable over a period of 30-90 days as per the credit period with respective vendors.

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 38: Capital risk management

(a) The Group aims to manage its capital efficiency to safeguard its ability to continue as going concern and optimise return to the shareholders.

The capital structure of the Group is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Group's management monitors the return on capital as well as the level of dividends to shareholders.

The Group monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2023	As at March 31, 2022
Net Debt *	1,853.49	2,499.04
Total Equity	30,171.84	22,892.22
Net Debt to total equity	**6.14%**	**10.92%**

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents and current investments.

(b) Dividend

During the previous year, the Group had declared interim dividend for the financial year 2021-22 of Rs. 4 each (face value Rs. 2 per share) amounting to Rs. 2,097.76 lakhs which was approved by the Board of Directors of Company in its meeting held on October 25, 2021.

Scissors Engineering Products Limited (SEPL) declared interim dividend for the financial year 2021-22 of Rs. 35.30 each amounting to Rs. 6,400.37 lakhs to its erstwhile parent Raymond Limited, which was approved by SEPL's Board of Directors in its meeting held on October 25, 2021. (Refer Note 48)

Note 39: Redemption Of 9% Non-Cumulative Convertible Preference Shares ("9% NCCPS")

During the previous year, pursuant to the approval of the Board of Directors in their meeting held on September 27, 2021, the Company exercised its option and redeemed NCCPS on October 06, 2021.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 40: Related parties disclosures as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

Other related parties with whom transactions have taken place during the period:

(b) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom
Raymond Apparel Limited, India (merged with Raymond Limited w.e.f. April 1, 2021)
Raymond Luxury Cotton Limited, India

(c) **Entities over which parent exercises significant influence**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
Raymond Consumer Care Limited, India
Ray Global Consumer Trading Limited, India
Raymond UCO Denim Private Limited, India

(d) **Entities having significant influence over parent**
JK Investors (Bombay) Limited

Other related parties:

(e) **Key Management Personnel :**
Whole time Director : Balasubramanian Vishwanathan (w.e.f. November 17, 2021)
Independent Director : Satish Sekhri (w.e.f. November 17, 2021)
Independent Director : Vijay Bhatt (w.e.f. November 17, 2021)
Non Executive Director : Rashmi Brijgopal Mundada
Non Executive Director : Ravikant Uppal
Non Executive Director : Balasubramanian Vishwanathan (till November 16, 2021)
Non Executive Director : Ganesh Kumar Subramanian (till November 16, 2021)
Non Executive Director : Gautamhari Singhania (w.e.f. November 17, 2021)
Non Executive Director : Krishnan Ashwath Narayan (till November 17, 2021)

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme
JK Talabot Limited - Employees Gratuity Scheme
Ring Plus Aqua Limited - Employee Gratuity Scheme

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1, in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Purchases :												
Goods and Materials	-	1.81	-	-	-	-	-	-	-	-	-	-
Other Income :												
Interest Income on Inter-company loan	-	-	-	318.05	0.09	42.72	-	-	-	-	-	-
Expenses :												
Employee Benefits Expenses (Managerial remuneration)	-	-	-	-	-	-	-	-	459.67	361.34	-	-
Other Expenses												
Rent expenses	158.23	158.23	-	-	-	-	-	-	-	-	-	-
Facility Charges	847.00	692.00	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	-	-	-	-	-	-	-	-	32.00	16.00	-	-
Directors sitting fees and commission	-	-	-	-	-	-	-	-	48.50	47.75	-	-
Sales Promotion expenses	-	-	-	-	-	0.30	-	-	-	-	-	-
Reimbursement of Expenses												
Salaries, wages, bonus, etc	0.85	0.81	-	-	-	-	-	-	-	-	-	-
Workmen and Staff welfare expenses	2.15	2.43	-	-	-	-	-	-	-	-	-	-
Electricity charges	57.25	36.56	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	43.66	36.64	-	-	-	-	-	-	-	-	-	-
Insurance	2.80	2.48	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	158.68	104.27	-	-	-	-	-	35.20	-	-	-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	-	-	360.60	320.41
Other Receipts :												
Reimbursement of expenses	837.85	724.15	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses(IPO)	-	802.56	-	-	-	-	-	-	-	-	-	-
Loans given :												
Inter Corporate loan Given	-	-	-	1,100.00	-	-	-	-	-	-	-	-
Inter Corporate loan repayment received	-	-	-	9,300.00	-	1,010.00	-	-	-	-	-	-
Redemption of instruments entirely in the nature of Equity	-	2,200.00	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	8,498.13	-	-	-	-	-	461.43	-	-	-	-
Sale of Property, Plant and Equipment	-	-	-	-	-	-	-	970.87	-	-	-	-

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Nature of transactions	Related Parties							
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Outstandings :								
Trade payable	1.01	26.79	16.15	16.15	-	-	24.00	24.00
Other current financial liabilities								
- Other Payable	73.93	58.32	-	-	-	-	-	-
Trade receivable *	-	-	-	-	13.93	240.88	-	-
Other financial assets								
- Receivable from Related Parties	650.52	802.56	-	-	50.12	83.72	-	-

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2023	Year ended March 31, 2022
Purchases :		
Goods and Material		
Raymond Limited	-	1.81
Other Income :		
Interest Income on Inter-company loan		
Raymond Apparel Limited	-	304.98
Raymond Luxury Cotton Limited	-	13.07
Raymond UCO Denim Private Limited	-	41.92
Ray Global Consumer Trading Limited	0.09	0.80
Miscellaneous Income		
JK Investors (Bombay) Ltd	-	19.22
Expenses :		
Employee benefits expenses		
Short term employee benefits		
Balasubramanian Vishwanathan	222.56	196.46
Post employment benefits		
Balasubramanian Vishwanathan	7.13	6.60
Other Expenses		
Rent expenses		
Raymond Limited	158.23	158.23
Facility charges		
Raymond Limited	847.00	692.00
Director sitting fees		
Gautamhari Singhania	1.00	2.00
Rashmi Mundada Brijgopal	4.50	4.25
Ravikant Uppal	5.50	7.50
Satish Sekhri	7.00	5.00
Vijay Bhatt	6.50	5.00
Director commission		
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	8.00	8.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00
Legal and professional expenses		
Ravikant Uppal	32.00	16.00

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2023	Year ended March 31, 2022
Reimbursement of Expenses		
Salaries, wages, bonus, etc		
Raymond Limited	0.85	0.81
Workmen and Staff welfare expenses		
Raymond Limited	2.15	2.43
Electricity charges		
Raymond Limited	57.25	36.56
Legal and professional expenses		
Raymond Limited	43.66	36.64
Sales Promotion expenses		
J K Helene Curtis Limited	-	0.30
Insurance		
Raymond Ltd	2.80	2.48
Miscellaneous expenses		
Raymond Limited	158.68	104.27
JK Investors (Bombay) Ltd	-	35.20
Paid to trust - Employees gratuity fund	360.60	326.44
Other Receipts :		
Reimbursement of expenses		
Raymond Limited	837.85	724.15
Reimbursement of expenses(IPO)		
Raymond Limited	-	802.56
Loans given:		
Inter Corporate loan Given		
Raymond Apparel Limited	-	1,100.00
Inter Corporate loan repayment received		
Raymond Apparel Limited	-	7,300.00
Raymond UCO Denim Private Limited	-	1,000.00
Raymond Luxury Cotton Limited	-	2,000.00
Ray Global Consumer Trading Limited	-	10.00

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2023	Year ended March 31, 2022
Redemption of instruments entirely in the nature of Equity		
Raymond Limited	-	2,200.00
Dividend Paid		
Raymond Limited	-	8,498.13
JK Investors (Bombay) Ltd	-	461.43
Sale of Property, Plant and Equipement:		
JK Investors (Bombay) Ltd	-	970.87

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 ★ Mumbai ★

★ JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above, in ordinary course of business :

Outstandings :	**As at March 31, 2023**	**As at March 31, 2022**
Trade payable		
Raymond Limited	1.01	26.79
Raymond Europe Limited	16.15	16.15
Mrs. Rashmi Mundada Brijgopal	4.00	4.00
Mr. Ravikant Uppal	8.00	8.00
Mr. Gautam Hari Singhania	4.00	4.00
Mr. Satish Sekhri	4.00	4.00
Mr. Vijay Bhatt	4.00	4.00
Trade receivable		
P T Jaykay International Indonesia*	13.93	240.88
Other financial liabilities		
Raymond Limited	73.93	58.32
Other financial assets		
- Interest Accrued		
Ray Global Consumer Trading Limited	-	0.09
- Receivable towards IPO expense		
Raymond Limited	650.52	802.56
- Receivable from Related Parties		
P T Jaykay Files Indonesia*	50.12	83.72

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Trade Receivables		
P T Jaykay International Indonesia	13.93	240.88
Other Financial Assets		
P T Jaykay Files Indonesia	50.12	83.72

Inter-company loan receivable were provided to group companies to meet their working capital requirements. Transactions were done in ordinary course of business and on normal terms and conditions.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 41: Segment Information

A. Operating Segments:

The board of directors of the Group has appointed a Managing Director which assesses the position and group's financial performance from a product and geographic perspective.
(i) Tools and hardware - The tools and hardware business operates five manufacturing facilities in India with two located at Chiplun and one at Ratnagiri in Maharashtra, one in Pithampur in Madhya Pradesh(till September 16, 2022) and Vapi in Gujarat, which are primarily involved in the manufacturing of files and drills.
(ii) Auto Components and Engineering Products - The Auto Components and Engineering Products business operates in three facilities for manufacturing of ring gears, flexplates and water pump bearings located in the industrial belt of Nashik, Maharashtra.

The Managing Director uses the following measure to assess the performance of the operating segments.
Segment revenue and results:
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:
Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segments are shown as unallocable assets / liabilities.

Inter segment transfer:
Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(a) Summary of segment Information is as follows:

Particular	As at March 31, 2023				As at March 31, 2022			
	Tools & Hardware	Auto Components and Engineering Products	Elimination	Total	Tools & Hardware	Auto Components and Engineering Products	Elimination	Total
Segment Revenue								
External Revenue	48,927.15	37,480.74	-	86,407.89	49,999.16	31,201.85	-	81,201.01
Inter-Segment Revenue	4.85		(4.85)	-	6.79		(6.79)	-
Total Revenue	48,932.00	37,480.74	(4.85)	86,407.89	50,005.95	31,201.85	(6.79)	81,201.01
Segment Result	4,706.17	5,362.58	-	10,068.75	5,269.03	4,929.16	-	10,198.19
Add / (Less):								
Unallocated income/(expenses) (Net)				270.60				481.12
Finance Cost (Excluding Interest on Leases)				(150.21)				(223.18)
Add / (Less) : Exceptional items				(597.21)				1,186.83
Tax expense				(2,406.64)				(3,119.21)
Net Profit				7,185.29				8,523.75
Other Information:								
Segment Assets	20,357.44	21,250.23	(45.82)	41,561.85	21,911.99	18,524.44	(1.23)	40,435.20
Unallocated assets				8,894.39				3,276.50
Total Assets	20,357.44	21,250.23	(45.82)	50,456.24	21,911.99	18,524.44	(1.23)	43,711.70
Segment Liabilities	9,687.31	8,849.45	(45.82)	18,490.94	10,569.05	7,726.35	(1.23)	18,294.17
Borrowings				1,454.87				1,752.09
Other unallocated liabilities				338.65				773.28
Total Liabilities	9,687.31	8,849.45	(45.82)	20,284.46	10,569.05	7,726.35	(1.23)	20,819.54
Capital Expenditure								
Segment capital expenditure	1,202.59	2,317.70	-	3,520.29	445.75	1,128.70	-	1,574.45
Depreciation and Amortisation:								
Segment depreciation and amortisation	830.79	959.27	-	1,790.06	916.41	1,076.76	-	1,993.17

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Revenue from contract with customers *

	Year ended March 31, 2023	Year ended March 31, 2022
India	38,180.50	32,385.52
Africa	7,620.04	6,967.14
America	16,556.48	18,858.89
Asia (excluding India)	6,933.63	7,179.90
Europe	12,833.72	11,826.11
Australia	26.84	41.82
Total	**82,151.21**	**77,259.38**

Non-current asset**

	As on March 31, 2023	As on March 31, 2022
India	15,266.78	14,207.98
Africa	-	-
America	-	-
Asia (excluding India)	-	-
Australia	-	-
Total	**15,266.78**	**14,207.98**

* Based on location of customer
** Excluding financial asset and current tax assets, deferred tax assets

(b) Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 42: Interests in other entities

The Consolidated Financial Statements present the consolidated accounts of the Group with its following Subsidiaries:

A. Subsidiary

The details of the Group's subsidiaries are set out below. Its share capital consists solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Country of Incorporation / Principal activities	As on March 31, 2023	As on March 31, 2022
Subsidiary :			
JK Talabot Limited (JKTL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		90.00%	90.00%
- Ownership interest held by non-controlling interests		10.00%	10.00%
Scissors Engineering Products Limited (SEPL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		100.00%	100.00%
- Ownership interest held by non-controlling interests		0.00%	0.00%
Ring Plus Aqua Limited (RPAL)	India / Engineering, tools and related component		
- Ownership interest held by the Group		89.07%	89.07%
- Ownership interest held by non-controlling interests		10.93%	10.93%

B. Non-controlling interests (NCI)

Set out below is summarised financial information for subsidiary's non-controlling interests. The amounts disclosed for subsidiary are before Inter-company eliminations.

Summarised balance sheet	As on March 31, 2023			As on March 31, 2022		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Current assets	979.70	16,836.40	17,816.10	1,090.52	13,017.65	14,108.17
Current liabilities	352.17	9,583.57	9,935.74	444.38	8,649.61	9,093.99
Net current assets	**627.53**	**7,252.83**	**7,880.36**	**646.14**	**4,368.04**	**5,014.18**
Non-current assets	714.00	9,261.36	9,975.36	717.46	8,254.96	8,972.42
Non-current liabilities	-	320.35	320.35	5.06	380.72	385.78
Net non-current assets	**714.00**	**8,941.01**	**9,655.01**	**712.40**	**7,874.24**	**8,586.64**
Net assets	**1,341.53**	**16,193.84**	**17,535.37**	**1,358.54**	**12,242.28**	**13,600.82**
Accumulated NCI	**134.15**	**1,769.97**	**1,904.12**	**135.85**	**1,338.06**	**1,473.91**

Summarised statement of profit and loss	Year ended March 31, 2023			Year ended March 31, 2022		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Revenue	3,080.88	37,480.74	40,561.62	2,856.31	31,201.85	34,058.16
Profit for the year	(30.91)	3,911.05	3,880.14	88.03	3,872.69	3,960.72
Other comprehensive income / (loss)	13.90	(2.45)	11.45	21.99	39.55	61.54
Total comprehensive income	**(17.01)**	**3,908.60**	**3,891.59**	**110.02**	**3,912.24**	**4,022.26**
Profit allocated to NCI	(3.09)	427.48	424.39	8.80	423.28	432.08
Other comprehensive income / (loss) allocated to NCI	1.39	(0.27)	1.12	2.20	4.32	6.52
Total comprehensive income allocated to NCI	**(1.70)**	**427.21**	**425.51**	**11.00**	**427.60**	**438.60**
Dividends paid to NCI	-	-	-	144.98	788.46	933.44

Summarised cash flows	Year ended March 31, 2023			Year ended March 31, 2022		
	JKTL	RPAL	Total	JKTL	RPAL	Total
Cash flows from operating activities	3.16	4,087.16	4,090.32	(21.31)	3,887.68	3,866.37
Cash flows from investing activities	(47.77)	(3,513.61)	(3,561.38)	1,489.25	3,805.08	5,294.33
Cash flows from financing activities	(0.20)	(208.38)	(208.58)	(1,450.02)	(7,391.37)	(8,841.39)
Net increase/ (decrease) in cash and cash equivalents	**(44.81)**	**365.17**	**320.36**	**17.92**	**301.39**	**319.31**

C. There are no transactions with NCI during the year covered under Consolidated Financial Statements.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 43: Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below :

Name of Entities	2022-23							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent:								
JK Files & Engineering Limited	53.63%	16,181.32	46.10%	3,312.11	77.71%	39.91	46.32%	3,352.02
Subsidiary:								
JK Talabot Limited (Group's Share)	4.00%	1,207.38	-0.39%	(27.82)	24.36%	12.51	-0.21%	(15.31)
Scissors Engineering Products Limited (Group's Share)	0.06%	18.15	-0.10%	(6.95)	0.00%	-	-0.10%	(6.95)
Ring Plus Aqua Limited (Group's Share)	47.81%	14,423.87	48.48%	3,483.57	-4.24%	(2.18)	48.11%	3,481.39
Non Controlling Interest of JK Talabot Limited	0.44%	134.15	-0.04%	(3.09)	2.71%	1.39	-0.02%	(1.70)
Non Controlling Interest of Ring Plus Aqua Limited	5.87%	1,769.97	5.95%	427.48	-0.53%	(0.27)	5.90%	427.21
Inter-company Elimination & Consolidation Adjustments	-11.81%	(3,563.00)	0.00%	-	0.00%	-	0.00%	-
Grand Total		**30,171.84**		**7,185.30**		**51.36**		**7,236.66**

Name of Entities	2021-22							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent:								
JK Files & Engineering Limited	56.04%	12,829.31	68.88%	5,871.36	175.40%	(143.16)	67.85%	5,728.20
Subsidiary:								
JK Talabot Limited (Group's Share)	5.34%	1,222.69	0.93%	79.23	-24.25%	19.79	1.17%	99.02
Scissors Engineering Products Limited (Group's Share)	0.11%	25.12	75.34%	6,421.66	0.00%	-	76.07%	6,421.66
Ring Plus Aqua Limited (Group's Share)	47.63%	10,904.23	40.47%	3,449.41	-43.16%	35.23	41.28%	3,484.64
Non Controlling Interest of JK Talabot Limited	0.59%	135.85	0.10%	8.80	-2.70%	2.20	0.13%	11.00
Non Controlling Interest of Ring Plus Aqua Limited	5.85%	1,338.05	4.97%	423.28	-5.29%	4.32	5.07%	427.60
Inter-company Elimination & Consolidation Adjustments	-15.56%	(3,563.11)	-90.69%	(7,729.99)	0.00%	-	-91.56%	(7,729.99)
Grand Total		**22,892.14**		**8,523.75**		**(81.62)**		**8,442.12**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs.lakhs, unless stated otherwise)

Note 44: Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment, intangible asset and investment property
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

(iii) Wilful defaulter
None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Group 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 Group shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

Note 45: Name change

During the previous year, the Board of Directors of the Company in their meeting held on September 27, 2021 approved the change in the name of the Company from JK Files (India) Limited to JK Files & Engineering Limited as approved by Ministry of Company Affairs, effective from 10th November, 2021.

Note 46: Sub-division of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 approved sub-division of existing authorised share capital of the Company from Rs. 1,700.00 lakhs consisting of 17,000,000 equity shares of face value of INR 10 each to 85,000,000 equity shares of face value of INR 2 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from Rs. 874.07 lakhs consisting of 8,740,658 equity shares of face value of Rs. 10 each to 43,703,290 equity shares of face value of Rs. 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 47: Bonus issue of equity shares

During the previous year, the Board of Directors of the Company in its meeting held on September 27, 2021 approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company stands increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This has been approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

Note 48: Business Combination

On October 31, 2021, Raymond Limited, the holding company of JK Files & Engineering Limited (the 'Company') (JKFEL) transferred by way of delivery, 100% equity share capital of SEPL to JKFEL at Nil consideration. Effective October 31, 2021, SEPL has become a wholly owned subsidiary of JK Files & Engineering Limited, by virtue of which, Ring Plus Aqua Limited (SEPL's subsidiary) became a step down subsidiary of JKFEL. Consequent to the above, SEPL group became part of JKFEL Group.

Subsequently, SEPL transferred, by way of delivery, 89.07% of equity share capital of RPAL, the then subsidiary of SEPL, at Nil consideration to the Company. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of the Company.

The aforesaid acquisitions have been accounted as business combinations of entities under common control as per appendix C of Ind AS 103 'Business Combination', using pooling of interest method in consolidated financial statements for the year ended March 31, 2022.

Details of assets, liabilities and Reserve vested at their respective carrying values are as under:

Particulars	SEPL Group
Non-current assets	
Property, plant and equipment	8,884.94
Right of use assets	86.54
Capital work - in - progress	5.51
Other intangible assets	7.59
Financial assets	
- Investments	8.22
- Other financial assets	24.39
Current tax assets (net) - non-current	363.44
Other non-current assets	257.65
Current assets	
Inventories	3,305.40
Financial assets	
- Investments	1,597.43
- Trade receivables	3,097.74
- Cash and cash equivalents	405.04
- Bank balances other than above	-
- Loans	1,500.00
- Other financial assets	60.05
Other current assets	590.21
Total Assets (A)	**20,194.15**
Non-current liabilities	
Financial liabilities	
- Borrowings	35.53
Deferred tax liabilities	504.39
Current liabilities	
Financial Liabilities	
- Borrowings	1,242.97
- Trade payables	3,748.65
- Other financial liabilities	550.35
Provisions	537.24
Current tax liabilities (net)	-
Other current liabilities	336.58
Total Liabilities (B)	**6,955.71**
Other Equity:	
-Capital Reserve	21.81
- Employee Stock Options Reserve	53.44
- Retained Earnings	8,878.83
Total Other Equity (C)	**8,954.08**
Non Controlling Interest (D)	**1,446.26**
Capital Reserve (A - B - C - D)	**2,838.10**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

Note 49: Share Based Payments

A. The Company's subsidiary Ring Plus Aqua Limited has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under RPAL ESOP 2019, the RPAL has granted 111,947 stock options for fair value of option determined on the date of grant.

Set out below is a summary of options granted under the plan:

	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	108,232	111,947
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	11,835	3,715
Closing balance	96,397	108,232
Vested and exercisable	96,397	108,232

The model inputs for options granted included :

Date of grant	April 26, 2019
Number of options granted	111,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of initial public offering (IPO) of RPAL as under : 40% of Options at the time of RPAL's IPO 20% of Options after completing 1 year of RPAL's IPO 20% of Options after completing 2 years of RPAL's IPO 20% of Options after completing 3 years of RPAL's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277
Fair value of share options	270.96
Expected Price volatility of the RPAL's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

	Year ended March 31, 2023	Year ended March 31, 2022
Employee Stock Option Plan Expenses	42.96	44.98

Note 50: Exceptional items

Particulars	Year ended March 31, 2023 (Refer note no (i) below)	Year ended March 31, 2022 (Refer note no (ii) below)
Gain on sale of Land & Building	(534.42)	1,186.83
Retrenchment compensation	796.66	-
Voluntary retirement benefits	334.97	-
Total	**597.21**	**1,186.83**

(i) For the year ended March 31, 2023:
a) During the financial year ended March 31, 2023, the Group has disposed its rights in leasehold land (Right of Use Asset) and Building of its Pithampur plant at Pithampur on September 16, 2022 , resulting in net gain of Rs. 534.42 lakhs.

b) Further, the Group has also given retrenchment compensation amounting to Rs. 796.66 lakhs (full and final settlement) to its eligible employees at Pithampur plant in accordance with Section 25FF of Industrial Disputes Act, 1947.

c) The Group during the financial year offered 'voluntary retirement benefits' (VRS scheme) to its eligible employees at its Starter Gear Division plant, beginning from October 11, 2022 to October 18, 2022. Pursuant to above, 29 employees opted for the scheme. Total cost of Rs. 334.97 lakhs has been determined and paid, which has been currently disclosed as 'Exceptional Item' in the statement of Profit and Loss.

(ii) For the year ended March 31, 2022:
During the financial year ended March 31, 2022, the Group had sold its Land and Buiding situated at Kolkata, which had resulted in gain of Rs. 1,186.83 lakhs which was disclosed as exceptional item in the statement of Profit & Loss in the previous year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 51: Events occurring after the reporting period

The Board of Directors vide their meeting held on May 02, 2023, approved sale of its 'right in leasehold land' and building thereon of its Ratnagiri plant having WDV of Rs. 161.69 lakhs and Rs. 364.19 lakhs respectively as at March 31, 2023. The remaining assets of Ratnagiri (mainly plant and machinery) will be transferred to the other locations. Applying the principles of Ind AS 10 'Events after the Reporting Period', the aforesaid event is considered as a non-adjusting subsequent event event in these consolidated financial statements.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2023

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Ravikant Uppal
Director
DIN: 00025970

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2023

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of JK Files & Engineering Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of JK Files & Engineering Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2024, and the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai – 400028
T: +91(22) 66691000, F: +91 (22) 66547804 / 07
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

11 2

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

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

Report on other legal and regulatory requirements

11. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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 except for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows 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 Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Rules, 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 36 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 during the year ended March 31, 2024.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 46 to the standalone 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 46 to the standalone financial statements, no funds have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not available in case of modification with certain specific functionality in the Application and for direct database changes. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDP4677

Place: Mumbai
Date: May 02, 2024

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report
Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited on the standalone financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of JK Files & Engineering Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report
Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited on the standalone financial statements for the year ended March 31, 2024

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDP4677

Place: Mumbai
Date: May 02, 2024

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been 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(a) and 2(b) to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rs. in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Leasehold land – Chiplun	61.90	Raymond Limited	Promoter	15 years	Due to pending registration formalities with MIDC

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(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 the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. 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.

(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, which are in agreement with the unaudited books of account (Also, refer Notes 15 and 16 to the standalone financial statements).

iii. (a) The Company has made investments in four other parties, granted unsecured loans to one company and provided guarantee to one financial institution. The Company has not granted any secured loans or advances in the nature of loan or provided any security to any company, firm, Limited Liability Partnership or any other party.

The aggregate amount during the year and balance outstanding at the balance sheet date with respect to such loans to subsidiaries and guarantee to parties other than subsidiaries, joint ventures and associates are as per the table given below:

Particulars	Guarantees (Rs. in lakhs)	Loans (Rs. in lakhs)
Aggregate amount granted/ provided during the year		
Subsidiaries		40,100.00
Others	600.85	
Balance outstanding as at balance sheet date in respect of the above case		
Subsidiaries		40,100.00
Others	126.40	

(Also, refer Notes 5 and 16 to the standalone financial statements)

(b) In respect of the aforesaid investments, guarantees and loans, the terms and conditions under which such loans were granted, investments were made and guarantees provided are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
★ Mumbai ★

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed / extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The loans granted during the year, including to related party had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

iv. In our opinion, 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 provided by it. The Company has not provided any security to the parties covered under Section 185 and 186.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. 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 Act 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. (a) In our opinion, the Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 36 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues of provident fund, service tax, duty of customs, duty of excise, goods and service tax and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

121

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Name of the statute	Nature of dues	Amount (Rs. In Lakhs) (net of deposit)	Period to which the amount relates (financial year)	Forum where the dispute is pending
The Central Sales Tax Act, 1956 and West Bengal Value Added Tax Act, 2003	Sales Tax (VAT and CST)	11.49	2013 - 14 and 2014 – 15	Sales Tax Officer
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.77	2015 – 16	Deputy Commissioner
The Central Sales Tax Act,1956 and Madhya Pradesh Value Added Tax Act, 2002	Sales Tax (VAT and CST)	1.91	2017 – 18	Assistant Commissioner
West Bengal Value Added Tax Act, 2003	Sales Tax (VAT)	0.08	2014 – 15	Sr. Joint Commissioner
The Income Tax Act, 1961	Income Tax	81.02	2004 – 05 to 2014 – 15	Referred by Income Tax Appellate Tribunal to the Assessing Officer
The Income Tax Act, 1961	Income Tax	34.58	2021 – 22	Commissioner of Income Tax (Appeals)
Employees' State Insurance Act, 1948	ESIC	1.30	1975 – 76 to 1981 - 82	High Court, Bombay
Employees' State Insurance Act, 1948	ESIC	0.87	February 2002 to March 2003	Learned Employees' Insurance Court, Kolkata
Employees' State Insurance Act, 1948	ESIC	1.38	2005 - 06 and 2006 - 07	Learned Employees' Insurance Court, Kolkata

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) 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) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 15 to the standalone financial statements)

(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 no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) 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. Further, the Company did not have any associates or joint ventures during the year.

(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. Further, the Company did not have any associates or joint ventures during the year.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has made a private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.

xi. (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, 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) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. 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. 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 related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

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

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

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

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

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

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios (Also refer Note 45 to the standalone financial statements), ageing and expected dates of realisation 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Annexure B to Independent Auditors' Report

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDP4677

Place: Mumbai
Date: May 02, 2024

9000 - 125

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Standalone Balance Sheet as at 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2024	As at March 31, 2023
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2(a)	4,035.93	3,449.11
	(b) Right of use assets	2(b)	1,082.87	1,282.95
	(c) Capital work - in - progress	2(c)	64.97	347.49
	(d) Goodwill	3(a)	79.41	79.41
	(e) Other Intangible assets	3(b)	31.90	0.22
	(f) Financial assets			
	(i) Investment in subsidiaries	4	3,563.04	3,562.99
	(ii) Loans	5	40,100.00	-
	(iii) Other Financial Asset	6	298.35	463.40
	(g) Income tax assets (net)	30(b)	252.77	237.90
	(h) Other non - current assets	7	38.48	285.42
	Total Non-Current Assets		**49,547.72**	**9,708.89**
2	**Current assets**			
	(a) Inventories	8	7,445.14	6,705.55
	(b) Financial assets			
	(i) Investments	11	-	3,526.55
	(ii) Trade receivables	9	5,830.18	4,623.70
	(iii) Cash and Cash Equivalents	10	166.30	170.55
	(iv) Other financial asset	6	276.20	705.38
	(c) Income tax assets (net)	30(c)	132.33	-
	(d) Other current assets	12	1,505.33	1,479.10
	Total Current Assets		**15,355.48**	**17,210.83**
	TOTAL ASSETS		**64,903.20**	**26,919.72**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	13	1,048.88	1,048.88
	(b) Other equity	14	17,977.04	15,132.44
	Total Equity		**19,025.92**	**16,181.32**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	15	32,312.64	-
	(ii) Lease liabilities	2(b)	1,023.20	1,242.92
	(b) Deferred tax liabilities	30(d)	680.63	2.69
	Total Non Current Liabilities		**34,016.47**	**1,245.61**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	3,077.86	735.26
	(ii) Lease liabilities	2(b)	219.71	185.17
	(iii) Trade payables	17		
	(a) total outstanding of micro and small enterprises		360.27	442.31
	(b) total outstanding other than (iii) (a) above		5,058.14	4,546.99
	(iv) Other financial liabilities	18	1,496.84	2,027.45
	(b) Provisions	19	280.25	423.02
	(c) Other current liabilities	20	1,367.74	1,132.59
	Total Current Liabilities		**11,860.81**	**9,492.79**
	Total Liabilities		**45,877.28**	**10,738.40**
	TOTAL EQUITY AND LIABILITIES		**64,903.20**	**26,919.72**
	Accounting Policies	1		

The above standalone balance sheet should be read in conjunction with the accompanying notes.

This is standalone balance sheet referred to in our attached report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May, 2024

126

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Standalone Statement of Profit and Loss for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	Year ended 31st March, 2024	Year ended 31st March, 2023
I	**Revenue from operations**	21	43,472.96	49,431.48
II	**Other income**	22	490.56	405.83
III	**Total income (I+II)**		**43,963.52**	**49,837.31**
IV	**Expenses**			
	Cost of raw materials consumed	23	14,377.13	15,105.69
	Purchases of Stock-in-Trade	24	5,018.09	5,264.83
	Changes in inventories of work-in progress, finished goods and stock-in-trade	25	(234.14)	1,108.50
	Employee benefits expense	26	5,582.28	6,369.54
	Finance costs	27	580.71	278.97
	Depreciation and amortization expense	28	864.00	768.16
	Net impairment losses (including reversals) on financial assets		23.94	(239.11)
	Other expenses	29	16,221.70	16,465.45
	Total expenses (IV)		**42,433.71**	**45,122.03**
V	**Profit before exceptional items and tax (III-IV)**		**1,529.81**	**4,715.28**
VI	**Exceptional Items (net)**	47	**(2,013.17)**	**(262.24)**
VII	**Profit / (Loss) before tax (V-VI)**		**(483.36)**	**4,453.04**
VIII	**Tax expense**	30		
	Current tax		304.45	1,086.63
	Deferred tax		(388.62)	54.30
	Total Tax expense / (credit) (VIII)		**(84.17)**	**1,140.93**
IX	**Profit / (Loss) for the year (VII- VIII)**		**(399.19)**	**3,312.11**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	31	96.69	53.33
	-Income tax relating to above	30	(24.33)	(13.42)
	Other Comprehensive income for the year (X)		**72.36**	**39.91**
XI	**Total Comprehensive Income / (Loss) for the year (IX+X)**		**(326.83)**	**3,352.02**
XII	**Earnings per equity share of Rs. 2 each**	34		
	Basic earnings per share (in Rs.)		(0.76)	6.32
	Diluted earnings per share (in Rs.)		(0.76)	6.32
	Accounting Policies	1		

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes.

This is the standalone statement of profit and loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Cheeham
Company Secretary

Mumbai
2nd May, 2024

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Standalone Statement of Changes in Equity for the year ended 31st March, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

A. Equity Share Capital

Particulars	Equity Share Capital
	Amount
As at 1st April, 2022	**1,048.88**
Change during the year	-
As at 31st March, 2023	**1,048.88**
Change during the year	-
As at 31st March, 2024	**1,048.88**

B. Other Equity

Particulars	Reserves & Surplus						Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Equity component of compound financial instruments	Retained Earuings	
Balance as at 1st April, 2022	139.69	2,838.10	2,200.00	-	-	6,602.63	11,780.42
Profit for the year	-	-	-	-	-	3,312.11	3,312.11
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	39.91	39.91
Total Comprehensive Income for the year	-	-	-	-	-	3,352.02	3,352.02
Balance as at 31st March, 2023	139.69	2,838.10	2,200.00			9,954.65	15,132.44
Loss for the year	-	-	-	-	-	(399.19)	(399.19)
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	72.36	72.36
Total Comprehensive Income for the year	-	-	-	-	-	(326.83)	(326.83)
Capital contribution by parent (Refer Note 14)	-	0.05	-	-		-	0.05
Issue of 0.01% Non-Convertible Redeemable Preference Shares ("NCRPS") (Net of deferred tax of Rs. 1,066.56 lakhs) (Refer Note 15)	-	-	-	-	3,171.38	-	3,171.38
Transfer to / (from)	-	-	-	1,000.00		(1,000.00)	-
Balance as at 31st March, 2024	139.69	2,838.15	2,200.00	1,000.00	3,171.38	8,627.82	17,977.04

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

This is the standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
Mumbai
2nd May, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May, 2024

127

128

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flows for the year ended 31st March, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Year ended 31st March, 2024		Year ended 31st March, 2023	
A.	**Cash Flow from Operating Activities**				
	Profit before exceptional items and tax as per statement of profit and loss		1,529.81		4,715.28
	Adjustment for :				
	Depreciation and Amortisation expenses	864.00		768.16	
	Net (gain) /Loss on disposal/discard of property, plant and equipment	5.57		9.69	
	Liabilities no longer required written back	(7.41)		-	
	Interest income	(274.46)		(66.92)	
	Finance Cost	580.71		278.97	
	Unrealised (gain)/ loss on foreign exchange fluctuations	(24.63)		35.51	
	Net (gain) /Loss on sale / fair valuation of investments	(159.91)		(28.58)	
	Net impairment losses (including reversals) on financial assets	23.94		(239.11)	
	Gain on termination of lease	-		(1.13)	
			1,007.81		756.59
	Operating profit before changes in operating Assets & Liabilities		2,537.62		5,471.87
	Decrease/(Increase) in Inventory	(739.59)		1,954.37	
	Decrease/(Increase) in Trade & Other receivables	(1,217.51)		(446.43)	
	Decrease/(Increase) in other financial assets	435.88		174.42	
	Decrease/(Increase) in other assets	(26.22)		310.60	
	Increase/(Decrease) in Trade & other Payables	436.77		548.92	
	Increase /(Decrease) in other financial liabilities	(420.93)		(199.90)	
	Increase /(Decrease) in other liabilities	235.15		(712.88)	
	Increase / (Decrease) in Provisions	(99.40)		(217.52)	
			(1,395.85)		1,411.58
			1,141.77		6,883.45
	(Less): Direct Taxes Paid (Net)		(475.99)		(1,487.83)
			665.78		5,395.62
	Less : Exceptional Item		(2,013.17)		(796.66)
	Net cash flows (used in)/ generated from operating activities		**(1,347.39)**		**4,598.96**
B.	**Cash Flow from Investing Activities**				
	Inflows				
	Proceeds from sale of property, plant & equipment		39.72		929.40
	Proceeds from sale of units of Mutual Funds		3,686.46		-
	Interest received		271.88		61.97
	Margin money Deposits with Banks		169.66		-
			4,167.72		991.37
	Outflows				
	Purchase of property, plant & equipment (including capital work-in-progress and capital Advances)		(851.43)		(1,319.27)
	Inter Corporate Deposit placed with group companies		(40,100.00)		-
	Investment in units of Mutual Funds		-		(3,497.97)
	Margin money Deposits with Banks		-		(323.04)
			(40,951.43)		(5,140.28)
	Net cash flows used in investing activities		**(36,783.71)**		**(4,148.91)**
C.	**Cash Flow from Financing Activities**				
	Inflows				
	Inter Corporate Deposit taken from Holding company		22,500.00		-
	Issue of Preference Shares		5,000.00		-
	Debentures		10,000.00		-
	Short term borrowings taken (net)		1,390.60		-
			38,890.60		-
	Repayment of Short term borrowings (net)		-		(105.27)
	Interest Paid on Long term borrowing		(180.13)		(108.10)
	Interest Paid on short term borrowing		(262.42)		-
	Principal elements of lease payments		(185.18)		(162.41)
	Interest on lease liabilities		(136.02)		(149.21)
			(763.75)		(524.99)
	Net cash flows generated from /(used in) financing activities		**38,126.85**		**(524.99)**
	***Net Increase /(Decrease) in Cash and Cash Equivalents* (A+B+C)**		(4.25)		(74.94)
	Add :Cash and Cash Equivalents at the beginning of the financial Year		170.55		245.49
	Cash and Cash Equivalents as at the end of the Year		**166.30**		**170.55**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Standalone Statement of Cash Flows for the year ended 31st March, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Non-cash financing and investing activities

	Year ended 31st March, 2024	Year ended 31st March, 2023
Acquisition of right-of-use assets	-	61.02
Investment in subsidiaries	-	-
Issue of Bonus Shares	-	-

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433
2nd May, 2024

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
2nd May, 2024

130

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

Note 1. Statement of Accounting Policies

I Background and Basis of preparation of Standalone Financial Statements

JK Files & Engineering Limited ("the Company") is a public Company limited by shares and domiciled in India. The Company deals in tools and hardware products. The Company have manufacturing facilities at Chiplun, Ratnagiri and Vapi. The Registered office of the Company is situated at Mumbai. Refer Note 47 for closure of Ratnagiri plant of the Company.

These Standalone Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors on May 02, 2024.

(i) Compliance with Ind AS

The Standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as ammended] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:
1)certain financial assets and liabilities (including derivative instruments) is measured at fair value;
2)assets held for sale – measured at lower of book value and fair value less cost to sell.
3)defined benefit plans – plan assets measured at fair value

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:
1) Disclosure of accounting policies – amendments to Ind AS 1
2) Definition of accounting estimates – amendments to Ind AS 8
3) Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12 The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Companies accounting policy already complies with the now mandatory treatment.

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(v) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II), unless otherwise stated.

II Material Accounting Policies

(a) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses. On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Equipment is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery, useful life for which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

The estimated useful lives of the property, plant and equipment are:

Class of Asset	Useful life
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers	3 years

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

(b) Inventories

Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower. Cost of raw materials, stores and spares and stock in trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(c) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.
The Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(d) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Preference shares, which are non-convertible and redeemable on a specific date and carry a coupon rate which is not market driven rate, are classified as compound financial instruments.
The fair value of the liability portion is determined using a market interest rate. This amount is recorded as a liability on an amortised cost basis until extinguished on redemption of the preference shares. The remainder of the proceeds is attributable to the equity component of the compound instrument. This is recognised and included in Other equity, net of income tax effects, and not subsequently measured.

(c) Revenue from contracts with customers

(i) Sale of Goods
Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period.Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services
Revenue from sale of services is recognised in the accounting year in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

(iii) Financing Components
The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(iv) Cash received before the goods and services are delivered is recognised as a contract liability.

III Other Accounting Policies

(a) Use of estimates and judgments
The estimates and judgments used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the year in which the results are known/materialised.
The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(b) Intangible assets

Goodwill generated as part of business combination are not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Computer software
Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method
The Company amortizes intangible assets with a future useful life using the straight-line method over following period:

Class of Asset	Useful life
Computer Software	3 years
Trademark	10 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(c) Cash and Cash Equivalents
For the purpose of presentation in the Standalone Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Investment in subsidiaries
Investment in subsidiaries is recognised at cost as per Ind AS -27.

(e) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(f) Investments and other financial assets
(i) Classification
The Company classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition
Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement
At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:
Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company measures its debt instruments in following categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

- Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

(iv) Impairment of financial assets
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets
A financial asset is derecognised only when:
- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

(vi) Income recognition
Interest income
Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

(g) Dividends
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(h) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(j) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(k) Provisions, contingent liabilities and contingent assets
Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in standalone financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in standalone financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(l) Employee benefits
(i) Short-term Employee Benefits:
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans
The Company pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

(iii) Post-employment obligations
Defined Benefit Plans
The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Profit or Loss as past service cost.

(iv) Other long-term employee benefit obligations
The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b)when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(m) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(n) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the standalone financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

(o) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Company, and makes strategic decisions.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

(q) Impairment of non-financial assets:

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

(r) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(s) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Company for the year. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

(t) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(u) Lease

As a lessee

Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company's where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

IV Critical estimates and Judgements

The preparation of Standalone Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial statements .

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 31)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 8)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(a)- Property, Plant and Equipment

	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount							
Balance as at 1st April , 2022	**1,568.03**	**6,033.14**	**62.95**	**24.53**	**52.46**	**213.83**	**7,954.94**
Additions	38.14	758.86	29.51	-	15.99	64.39	906.89
Disposals/Adjustments	303.91	452.12	1.17	14.86	2.41	11.67	786.14
Balance as at 31st March, 2023	**1,302.26**	**6,339.88**	**91.29**	**9.67**	**66.04**	**266.55**	**8,075.69**
Additions	92.14	1,124.57	8.35	23.68	10.15	33.68	1,292.57
Disposals/Adjustments	23.83	56.73	-	-	-	23.27	103.83
Balance as at 31st March , 2024	**1,370.57**	**7,407.72**	**99.64**	**33.35**	**76.19**	**276.96**	**9,264.43**
Accumulated depreciation							
Balance as at 1st April, 2022	**464.56**	**3,782.15**	**50.05**	**21.41**	**40.53**	**154.10**	**4,512.80**
Charge for the year	62.46	467.25	3.14	0.10	5.74	25.75	564.44
Disposals/Adjustments	107.85	317.78	1.10	13.00	1.04	9.89	450.66
Balance as at 31st March, 2023	**419.17**	**3,931.62**	**52.09**	**8.51**	**45.23**	**169.96**	**4,626.58**
Charge for the year	59.13	535.50	14.04	2.55	8.34	40.90	660.46
Disposals/Adjustments	0.31	36.29	-	-	-	21.94	58.54
Balance as at 31st March , 2024	**477.99**	**4,430.83**	**66.13**	**11.06**	**53.57**	**188.92**	**5,228.50**
Net carrying amount							
Balance as at 31st March , 2023	**883.09**	**2,408.26**	**39.20**	**1.16**	**20.81**	**96.59**	**3,449.11**
Balance as at 31st March , 2024	**892.58**	**2,976.89**	**33.51**	**22.29**	**22.62**	**88.04**	**4,035.93**

NOTE:
1) Refer note 35 for information on Property Plant and Equipment pledged as security by the Company.
2) Refer note 37 for disclosure of contractual commitments for acquisition of Property Plant and Equipment .

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

136

Note 2(b)- Leases

This note provides information for leases where the Company is a lessee. The Company has leasehold land ranging from 95 to 99 years. The Company has also leased offices, factories and warehouses for which lease terms range from 11 months to 15 years.

(i) Amounts recognised in Standalone Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at 1st April, 2022	388.53	1,374.97	1,763.50
Additions	-	61.02	61.02
Disposals / Adjustments	83.51	15.86	99.37
As at 31st March, 2023	305.02	1,420.13	1,725.15
Additions	-	-	-
Disposals / Adjustments	-	-	-
As at 31st March, 2024	305.02	1,420.13	1,725.15
II. Accumulated depreciation			
As at 1st April, 2022	18.72	228.98	247.70
Charge for the year	5.62	197.69	203.31
Disposals / Adjustments	7.87	0.94	8.81
As at 31st March, 2023	16.47	425.73	442.20
Charge for the year	5.18	194.90	200.08
Disposals / Adjustments	-	-	-
As at 31st March, 2024	21.65	620.63	642.28
Net carrying amount			
As at 31st March, 2023	288.55	994.40	1,282.95
As at 31st March, 2024	283.37	799.50	1,082.87

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities		
Current	219.71	185.17
Non-current	1,023.20	1,242.92
Total	1,242.91	1,428.09

(ii) Amounts recognised in the standalone Statement of Profit and loss

The standalone statement of profit or loss shows the following amounts relating to leases:

Particulars	Note	Year ended 31st March, 2024	Year ended 31st March, 2023
Depreciation of right-of-use assets	28		
- Leasehold Land		5.62	5.62
- Buildings		194.46	197.69
Interest expense (included in finance costs)	27	136.02	149.21
Expense relating to short-term leases (included in other expenses)	29(b)	213.37	194.88

The total cash outflow for leases for the year ended March 31, 2024: Rs 534.57 Lakhs ; the year ended March 31, 2023 was Rs 506.50 Lakhs (including short term lease payments).

(iii) Extension and termination options

Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(b)- Leases
Additional Regulatory Information:-

As At 31st March , 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of use asset	Land	154.79	Raymond Woolen Mills Limited now known as " Raymond Limited "	Promoter	1st October, 2009	Pending registration formalities with Maharashtra Industrial Development Corporation (MIDC) .

As At 31st March , 2024

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Right of use asset	Land	61.90	Raymond Limited	Promoter	1st October, 2009	Pending registration formalities with Maharashtra Industrial Development Corporation (MIDC) .

Note :- Registration process completed for Plot no C1/1 and for plot no R-2 is in process .

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

138

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(c)- Capital work - in - progress (CWIP)

	CWIP
As at 1st April, 2021	**119.32**
Additions	1,025.17
Capitalization	797.00
As at 31st March , 2023	**347.49**
Additions	934.19
Capitalization	1,216.71
As at 31st March , 2024	**64.97**

Notes:
i) CWIP ageing schedule
Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March , 2023	347.49	-	-	-	347.49
As at 31st March , 2024	64.97	-	-	-	64.97

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3(a) - Goodwill

Goodwill was recognised on demerger of files and tools division of Raymond Limited into the Company in earlier years. The goodwill is allocated to the single CGU in which the Company operates i.e., tools and hardware.
The carrying amount of goodwill is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Goodwill	79.41	79.41
Total	**79.41**	**79.41**

The Company has performed an impairment assessment for year ended March 31, 2024 and March 31, 2023 respectively, and considering profits earned by CGU being significantly higher than carrying amount of goodwill , no impairment on goodwill has been recognised.

Note 3(b)-Other Intangible assets

	Computer Software	Brands /trademarks	Total
Gross carrying amount			
Balance as at 1st April , 2022	**44.96**	**1,125.00**	**1,169.96**
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March , 2023	**44.96**	**1,125.00**	**1,169.96**
Additions	35.14	-	35.14
Disposals	-	-	-
Balance as at 31st March , 2024	**80.10**	**1,125.00**	**1,205.10**
Accumulated Amortisation			
Balance as at 1st April , 2022	**44.33**	**1,125.00**	**1,169.33**
Charge for the year	0.41	-	0.41
Disposals/ Adjustments	-	-	-
Balance as at 31st March , 2023	**44.74**	**1,125.00**	**1,169.74**
Charge for the year	3.46	-	3.46
Disposals/ Adjustments	-	-	-
Balance as at 31st March , 2024	**48.20**	**1,125.00**	**1,173.20**
Net carrying amount			
As at 31st March , 2023	**0.22**	-	**0.22**
As at 31st March , 2024	**31.90**	-	**31.90**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-4 Investment in subsidiaries

	As at March 31, 2024	As at March 31, 2023
Unquoted		
Equity instruments at cost		
JK Talabot Limited		
72,48,936 (31st March , 2023: 72,48,936) Equity Shares of Rs.10 each	724.89	724.89
Scissors Engineering Products Limited		
1,81,31,485 (31st March, 2023:- 1.81,31,365) Equity Shares of Rs.10 each	10.05	10.00
Ring Plus Aqua Limited		
69,08,482 (31st March, 2023:-69,08,482) Equity Shares of Rs.10 each	2,828.10	2,828.10
Total	**3,563.04**	**3,562.99**
Aggregate value of unquoted investment	3,563.04	3,562.99
Aggregate amount of impairment in the value of investments	-	-

Note-5 Loans

	As at March 31, 2024	As at March 31, 2023
Non-current		
Loans to related parties (Refer Note 42 & Note (i) below)	40,100.00	-
	40,100.00	-

Note:-
(i) Disclosure as per section 186(4) of the Act

Particulars	Rate of Interest	Due date	As at March 31, 2024	As at March 31, 2023
Ring Plus Aqua Limited	9.85%	From March 7,2029 to March 21,2029	40,100.00	-
Total Loans to related parties			40,100.00	-

The Loan has been utilised for meeting their funding requirement for the purpose of investment.

(ii) There are no loans or advances in the nature of loans outstanding as at March 31, 2024 and March 31, 2023, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

(iii) Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	40,100.00	-
Loans which have significant increase in credit risk	-	-
Loans credit impaired	-	-
Total	**40,100.00**	-
Loss allowance	-	-
Total Loans	**40,100.00**	-

Note-6 Other financial assets
Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Non-current		
Security Deposits	88.34	83.72
Margin money deposit with Banks*	210.01	379.68
Total	**298.35**	**463.40**

* held with banks as lien against bank guarantees, security to government authorities, letter of credit etc.

	As at March 31, 2024	As at March 31, 2023
Current		
Derivative financial instrument(Refer Note 38)	8.74	-
Receivable from Related party (Refer Note 42)	305.96	746.46 *
Less: Allowance for doubtful receivable	(50.12)	(50.12)
Interest accrued	11.37	8.79
Security Deposits	0.25	0.25
	276.20	**705.38**

* includes Initial Public Offer (IPO) expenses reimbursable by the holding company, Raymond Limited (Refer Note 42).

Note-7 Other non-current assets
Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Capital advances	6.86	253.80
Deposits with government authorities	31.62	31.62
Total	**38.48**	**285.42**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-8 **Inventories**
(Cost or Net Realisable value,whichever is lower)

	As at March 31, 2024	As at March 31, 2023
Raw materials	982.68	872.53
Raw material in transit	359.63	-
Work-in-progress	2,050.47	2,185.78
Finished goods	2,445.64	2,256.35
Stock-in-trade	1,097.35	1,110.84
Stock-in-trade in transit	206.70	13.05
Stores and spares	302.67	267.00
Total	**7,445.14**	**6,705.55**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Write-down of inventories amounted to Rs. 351.00 lakhs for the year ended 31st March, 2024 (Reversal of Write-down of Rs.320.00 lakhs for the year ended 31st March, 2023). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Raw material consumed', 'Changes in inventories of work-in progress, finished goods and stock-in-trade' and 'consumption of stores and spares' in the standalone Statement of Profit and Loss.

Note-9 **Trade receivables**

	As at March 31, 2024	As at March 31, 2023
Related parties (Refer note 42)	13.93	13.93
Other customers	6,012.24	4,781.82
Less: Loss allowances	(195.99)	(172.05)
Total receivables	**5,830.18**	**4,623.70**

Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Considered good, Secured	179.33	169.56
Considered good, Unsecured	5,846.84	4,626.19
Which have significant increase in credit risk	-	-
Credit impaired	-	-
Total	**6,026.17**	**4,795.75**
Less: Loss allowances	(195.99)	(172.05)
Total trade receivables	**5,830.18**	**4,623.70**

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2024	4,938.18	892.00	48.88	6.57	1.96	138.58	6,026.17
As at 31st March, 2023	3,631.39	992.31	31.78	1.83	0.80	137.64	4,795.75

There are no disputed trade receivables.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-10 Cash and Cash Equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In current accounts	65.84	169.08
- In deposit accounts	100.00	-
Cash on hand	0.46	1.47
Total	**166.30**	**170.55**

Note-11 Current Investments

	As at March 31, 2024	As at March 31, 2023
Investment in Mutual Fund :		
Unquoted at Fair value through Profit and Loss		
Nil (March 31, 2023 : 52,696.832) Units in Nippon India Ultra Short Duration Fund - Growth Option - Growth Plan	-	1,818.73
Nil (March 31, 2023 : 12,857.222) Units in Nippon India Liquid Fund - Growth Plan - Growth Option	-	701.12
Nil (March 31, 2023 : 1,905,047.681) Units in Aditya Birla Sun Life Crisil IBX AAA - Jun 2023 Index Fund Regular Growth	-	200.17
Nil (March 31, 2023 : 21,798.481) Units in Aditya Birla Sun Life Saving Fund Growth	-	101.18
Nil (March 31, 2023 : 1,370,579.276) Units in Kotak Saving Growth Plan (Regular Plan)	-	503.06
Nil (March 31, 2023 : 1,984.972) Units in SBI Magnum Ultra Short Duration Fund Regular Growth	-	101.13
Nil (March 31, 2023: 428,411.632) Units in ICICI Prudential Ultra Short Term Fund Growth	-	101.16
Total	-	**3,526.55**
Aggregate value of unquoted investment	-	**3,526.55**
Aggregate amount of impairment in the value of investments	-	-

Note-12 Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Export benefit receivables	201.43	264.22
GST receivable/refundable	735.72	634.03
Advances to suppliers	466.75	467.73
Prepaid expenses	74.27	92.45
Other advances	27.16	20.67
Total	**1,505.33**	**1,479.10**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-13 Equity Share capital

	As at March 31, 2024	As at March 31, 2023
Authorised		
8,50,00,000 Equity Shares of Rs. 2 each [31st March, 2023 : 8,50,00,000 Equity Shares of Rs. 2 each]	1,700.00	1,700.00
Nil [31st March, 2023 : 22,00,000] 9% Non-Cumulative Compulsory Convertible Preference Shares of Rs.100 each	-	2,200.00
60,00,000[31st March ,2023:Nil] 0.01%Non-Cumulative Redeemable Preference Shares of Rs 100 each	6,000.00	-
Total	**7,700.00**	**3,900.00**
Issued, subscribed and fully paid up -Equity Shares		
5 24,43,948 Equity Shares of Rs. 2 each [31st March , 2023 : 5,24,43,948 Equity Shares of Rs. 2 each]	1,048.88	1,048.88
	1,048.88	**1,048.88**
Issued, subscribed and fully paid up -Preference Shares		
50,00,000 Non-Convertible 0.01% Redeemable Preference Shares of Rs.100 each [31st March, 2023: Nil] (Refer Note 15)	5,000.00	-
Total	**5,000.00**	-

a) Reconciliation of number of shares outstanding

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
1)Equity Shares				
Balance as at the beginning of the year	5,24,43,948	1,048.88	5,24,43,948	1,048.88
Balance as at the end of the year	**5,24,43,948**	**1,048.88**	**5,24,43,948**	**1,048.88**
2) 0.01% Non-Convertible redeemable Preference Shares ("Preference Shares" or "NCRPS")				
Balance as at the beginning of the year	-	-	-	-
Add:-Preference Shares issued during the year	50,00,000	5,000.00		
Balance as at the end of the year	**50,00,000**	**5,000.00**	-	-

b) Right, Preference and Restrictions attached to shares:

i) Equity shares: The Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares:The preference shares ("NCRPS") carry rate of dividend of 0.01% and they are non-convertible and non-cumulative in nature. These preference shares are redeemable within 20 years at the option of the Company. The NCRPS shall not have any voting rights.

c) Shares of the Company held by holding Company

	As at March 31, 2024	As at March 31, 2023
Equity Shares:		
Raymond Limited, India and its nominees	5,24,43,948	5,24,43,948
Preference Shares:		
Raymond Limited, India	50,00,000	-

d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares :				
Raymond Limited, India and its nominees	5,24,43,948	100%	5,24,43,948	100%
Preference Shares :				
Raymond Limited, India	50,00,000	100%	-	-

e) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash, except for the following:
The Board of Directors of the Company in its meeting held on September 27, 2021 had approved issuance of bonus shares in the ratio of 1:5 to existing equity shareholders by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company, pursuant to which issued, subscribed and paid-up equity share capital of the Company increased from Rs. 874.07 lakhs consisting of 43,703,290 equity shares of face value of INR 2 each to Rs. 1,048.88 lakhs consisting of 52,443,948 equity shares of face value of INR 2 each. This was approved by the shareholders in their extra-ordinary general meeting held on October 28, 2021.

f) Disclosure of Shareholding of Promoters
All the equity shares of the Company are held by its promoter, Raymond Limited, and there is no change in such shareholding. Further, the preference shares issued during the year are entirely held by the promoter, Raymond Limited. Since there is no change in shareholding at the end of each year referred to in 13 d) above, no separate disclosure is required in respect of "Disclosure of Shareholding of Promoters".

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016

JK Files & Engineering Limited

144

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 14 Other Equity

Particulars	Reserves & Surplus						Total
	Securities Premium	Capital Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Equity component of compound financial instruments (Refer Note 15)	Retained Earnings	
Balance as at 1st April, 2022	139.69	2,838.10	2,200.00	-	-	6,602.63	11,780.42
Profit for the year	-	-	-	-	-	3,312.11	3,312.11
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	39.91	39.91
Total Comprehensive Income for the year	-	-	-	-	-	3,352.02	3,352.02
Balance as at 31st March, 2023	139.69	2,838.10	2,200.00	-	-	9,954.65	15,132.44
Loss for the year	-	-	-	-	-	(399.19)	(399.19)
Remeasurement of defined benefit obligation, net of tax	-	-	-	-	-	72.36	72.36
Total Comprehensive Income for the year	-	-	-	-	-	(326.83)	(326.83)
Capital contribution by parent	-	0.05	-	-	-	-	0.05
Issue of 0.01% Non-Convertible Redeemable Preference Shares ("NCRPS") (Net of deferred tax of Rs. 1,066.56 lakhs) (Refer Note 15)	-	-	-	-	3,171.38	-	3,171.38
Transfer to /(from)	-	-	-	1,000.00	-	(1,000.00)	-
Balance as at 31st March, 2024	139.69	2,838.15	2,200.00	1,000.00	3,171.38	8,627.82	17,977.04

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve pertains to the transfer by way of delivery, 100% equity share capital of Scissors Engineering Product Limited to the Company at Nil consideration.

Capital Redemption Reserve
Capital Redemprion Reserve is created on redemption of NCCPS and it is non-distributable reserve.

Debenture Redemption Reserve
Debenture redemption reserve has been created as required by the provisions of Companies Act, 2013, read with the related rules.

The details of movement in debenture redemption reserve during the year is as below:

Debenture Redemption Reserve (refer note 15)	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	-
Transfer to Debeture redemption reserve from Retained Earnings	1,000.00	-
Balance at the end of the year	1,000.00	-

Equity component of compound financial instruments
Represents equity component of 0.01% Non-covertible Redeemable Preference Shares (Refer note 15)

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-15 - Non current borrowings

	Terms of repayments	Interest Rate	As at March 31, 2024	As at March 31, 2023
Secured				
Debentures				
-10,00,000 (March 31, 2023: Nil) Non Convertible Debentures of Rs 1,000 each Secured by first pari passu charge by the way of hypothecation of the entire movable and immovable fixed assets and Second pari passu charge on current assets, both present and future .	Quarterly repayments as per schedule ending on March 07, 2031	9.85%	10,000.00	-
Total - (A)			10,000.00	-
Unsecured (From a related party)				
- Loan (Refer Note 42)	Repayable in March 2029	9.85%	22,500.00	-
- Liability component of compound financial instruments (Refer Note 1 below)*				
50,00,000 Non-Cumulative 0.01% Redeemable Preference Shares of Rs.100 each [31st March, 2023: Nil] *			764.64	-
Total - (B)			23,264.64	-
Total - (A+B)			**33,264.64**	-
Less: Current maturities of the Long-term debt (included in Current borrowings in Note 16)			952.00	-
			32,312.64	-

Note- 1
The Company had issued 50,00,000 (Previous Year Nil) 0.01% Non-convertible Redeemable Preference Shares ("NCRPS") of Rs.100 each. The Preference Shares are Reedeemable within twenty years at option of the Company. The same has been presented in the balance sheet as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Face value of 0.01% Non-convertible Redeemable Preference Shares ("NCRPS")	762.06	-
Equity component of 0.01% Non-convertible Redeemable Preference Shares ("NCRPS") #	-	-
Liability component of 0.01% Non-convertible Redeemable Preference Shares ("NCRPS")	762.06	-
Interest expense *	2.58	-
Interest paid	-	-
Non-current borrowings	764.64	-

* Interest expense is calculated by applying the effective interest rate of 9.50% to the liability component.
# The equity component has been presented under other equity net of deferred tax of Rs 1,066.56 lakhs.

Note 2:-The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 35 - Assets pledged as security

Note 16 - Current borrowings

	Terms of repayments	Interest Rate	As at March 31, 2024	As at March 31, 2023
Loans repayable on demand				
Secured				
From banks				
- Cash Credit	Repayable on demand	8.70% ~10.20%	1,800.93	-
- Packing credit				
- in Indian Rupee	Single repayment at end of term	8.20%	200.00	501.90
(The above borrowings are secured by way of first pari passu charge on all current assets of the Company)				
Current maturities of the Long-term borrowing (included in Note 15)			952.00	-
Unsecured				
From Financial Institutions				
-Channel Financing (Refer Note iv below)	Repayable on demand	-	126.40	235.27
Total current borrowings			**3,079.33**	**737.17**
Less: Interest accrued but not due on borrowings (included in Note 18)			(1.47)	(1.91)
Total			**3,077.86**	**735.26**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

147

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

(i) The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 35 - Assets pledged as security

(ii) In respect of borrowings made from Banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the Company for the purpose for which they have been obtained (Refer Note 46)

(iv) The Company has availed Channel Financing arrangement for its customers from a financial institution, for which it has provided a first loss default guarantee. As per the terms of this facility, should the customers default in making payment, the contractual first loss default guarantee of 15% will be invoked on the Company by the financial institution.

Net debt reconciliation	**As at March 31, 2024**	**As at March 31, 2023**
Cash and cash equivalents	(166.30)	(170.55)
Long term Borrowings	32,312.64	-
Current Borrowings	3,077.86	735.26
Interest accrued but not due on borrowings	1.47	1.91
Lease liabilities	1,242.91	1,428.09
Net debt	**36,468.58**	**1,994.71**

	Cash and Cash equivalents	Lease Liabilities	Current borrowings (including current maturities and interest accrued)	Long borrowings (Including interest accrued)	Total
Net Debt as at April 1, 2022	**245.49**	**1,551.99**	**842.38**	-	**2,148.88**
Other non-cash movements	-	38.51	-	-	**38.51**
-Cash flows	(74.94)	(162.41)	(105.27)	-	**(192.74)**
-Interest expense	-	149.21	108.16	-	**257.37**
-Interest paid	-	(149.21)	(108.10)	-	**(257.31)**
Net Debt as at March 31, 2023	**170.55**	**1,428.09**	**737.17**	-	**1,994.71**
Other non-cash movements					
-Recognition of equity component of compound financial instruments (issue of NCRPS)	-	-	-	(4,232.77)	**(4,232.77)**
-Reclassification of current maturities	-	-	952.00	(952.00)	-
-Unwinding of Interest on compound financial instruments	-	-	-	(2.58)	**(2.58)**
-Cash flows	(4.25)	(185.18)	1,390.60	37,497.40	**38,707.07**
-Interest expense	-	136.02	261.98	182.72	**580.71**
-Interest paid	-	(136.02)	(262.42)	(180.13)	**(578.57)**
Net Debt as at March 31, 2024	**166.30**	**1,242.91**	**3,079.33**	**32,312.64**	**36,468.58**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

127

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-17 - Trade payables

	As at March 31, 2024	As at March 31, 2023
- Trade payables: micro and small enterprises(MSME) (Refer note 32)	360.27	442.31
- Trade payables: others *	5,058.14	4,546.99
Total	**5,418.41**	**4,989.30**

* Refer note 42 for Trade payables to related parties

Note:
Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following years from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2024							
(i) MSME	-	209.99	150.28	-	-	-	360.27
(ii) Others	1,632.57	792.45	2,572.14	39.12	20.29	1.57	5,058.14
Total	1,632.57	1,002.44	2,722.42	39.12	20.29	1.57	5,418.41

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
As at March 31, 2023							
(i) MSME	-	442.31	-	-	-	-	442.31
(ii) Others	1,349.86	1,281.65	1,850.11	35.21	22.51	7.65	4,546.99
Total	1,349.86	1,723.96	1,850.11	35.21	22.51	7.65	4,989.30

There are no disputed trade payables.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

148

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-18 - Other current financial liabilities

	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	1.47	1.91
Capital creditors	3.94	57.12
Deposits from dealers, agents etc.	537.08	538.63
Employee Benefits payable	942.18	1,342.38
Derivative financial instruments (Refer Note 38)	-	56.06
Other payables	12.17	31.35
Total	**1,496.84**	**2,027.45**

Refer Note-39 for information about Liquidity risk of Financial Liabilities

Note-19 - Provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 31)		
-Gratuity	15.41	62.15
-Compensated absences	264.84	360.87
Total	**280.25**	**423.02**

Note 20 -Other Current liabilities

	As at March 31, 2024	As at March 31, 2023
Contract Liabilities *	459.29	698.25
Advance received #	550.00	-
Statutory dues payable	293.22	147.56
Refund Liabilities	37.23	108.98
Stamp Duty Payable	28.00	177.80
Total	**1,367.74**	**1,132.59**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

Advance received against sale of building and rights in leasehold land. Since the assets against which such advance has been received do not meet the definition of "Asset held for sale" as per the requirements of Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations", the same has been classified under Property, Plant and Equipment and Right of use assets, respectively, as at March 31, 2024.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

1570

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-21 Revenue from Operations

	Year ended 31st March, 2024	Year ended 31st March, 2023
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	18,890.88	18,445.72
(ii) Manufactured goods - Export	17,530.36	22,490.68
(iii) Stock-in trade- Domestic	5,557.35	6,198.80
(iv) Stock-in trade- Export	535.00	737.38
Total (A)	**42,513.59**	**47,872.58**
Sale of Services - recognised over a period of time	148.11	409.39
Total (B)	**148.11**	**409.39**
Revenue from contracts with customers (C= A+B)	**42,661.70**	**48,281.97**
Other operating revenue		
(i) Export Incentives	396.89	494.65
(ii) Process waste sale	414.37	654.86
Total (D)	**811.26**	**1,149.51**
Total (C + D)	**43,472.96**	**49,431.48**

Notes:
(i) Disaggregation of revenue from contracts with customers:
The Company derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended 31st March, 2024	Year ended 31st March, 2023
India	24,448.23	24,644.52
Africa	5,702.41	7,620.04
America	7,743.02	9,115.97
Asia (excluding India)	3,369.81	4,071.50
Europe	1,398.23	2,829.94
Total	**42,661.70**	**48,281.97**

The Company derives revenue from the transfer of following goods and services:

	Year ended 31st March, 2024	Year ended 31st March, 2023
Files	23,284.32	27,064.25
Drills	11,411.78	11,712.93
Hand tools and power tool accessories	4,438.11	5,366.28
Power tool machines	1,650.18	1,560.97
Others	1,729.20	2,168.15
Sale of Products (A)	**42,513.59**	**47,872.58**
Sale of Services (B)	148.11	409.39
Revenue from contracts with customers (A + B)	**42,661.70**	**48,281.97**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	Year ended 31st March, 2024	Year ended 31st March, 2023
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	22.39	3.96
	22.39	**3.96**

(iii) Reconciliation of revenue recongnised with contract price:

	Year ended 31st March, 2024	Year ended 31st March, 2023
Contract price	45,335.76	50,837.47
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,674.06)	(2,555.50)
Revenue from contract with customers	**42,661.70**	**48,281.97**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

152

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

Note-22 Other income

	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest income		
- on financial assets at amortised cost	274.46	66.92
Net gain on foreign exchange fluctuations	15.10	-
Net gain on sale of investments	159.91	8.13
Net gain on Fair valution of Investments through Profit or loss	-	20.45
Gain on termination of lease	-	1.13
Miscellaneous Income	41.09	309.20
Total	**490.56**	**405.83**

Note-23 Cost of raw materials consumed

	Year ended 31st March, 2024	Year ended 31st March, 2023
Raw material at the beginning of the year	872.53	1,617.83
Purchases	14,846.91	14,360.39
Less : Raw material at the end of the year	1,342.31	872.53
Total	**14,377.13**	**15,105.69**

Note-24 Purchases of Stock-in-Trade

	Year ended 31st March, 2024	Year ended 31st March, 2023
Purchases of Stock-in-Trade	5,018.09	5,264.83
Total	**5,018.09**	**5,264.83**

Note-25 Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended 31st March, 2024	Year ended 31st March, 2023
Opening inventories		
Work-in-progress	2,185.78	2,438.15
Finished goods	2,256.35	2,877.90
Stock-in-trade	1,123.89	1,358.47
	5,566.02	**6,674.52**
Closing inventories		
Work-in-progress	2,050.47	2,185.78
Finished goods	2,445.64	2,256.35
Stock-in-trade	1,304.05	1,123.89
	5,800.16	**5,566.02**
Total	**(234.14)**	**1,108.50**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

Note-26 Employee benefits expense

	Year ended 31st March, 2024	Year ended 31st March, 2023
Salaries, wages, bonus etc.	4,839.01	5,523.98
Gratuity Expense (Refer Note 31)	112.15	142.65
Contribution to provident and other funds (Refer Note 31)	274.61	313.61
Workmen and Staff welfare expenses	356.51	389.30
Total	**5,582.28**	**6,369.54**

Note-27 Finance costs

	Year ended 31st March, 2024	Year ended 31st March, 2023
Interest expense		
- Term loans (including debentures)	180.13	-
- Lease obligations	136.02	149.21
- Current borrowings	172.88	66.04
- Shortfall of advance tax	-	11.00
- Others	37.32	31.13
Unwinding of interest on liability component of compound financial instrument	2.58	-
Exchange difference regarded as adjustment to borrowing cost	-	21.59
Other borrowing costs	51.78	-
Total	**580.71**	**278.97**

Note-28 Depreciation and amortization expense

	Year ended 31st March, 2024	Year ended 31st March, 2023
Depreciation on property, plant and equipment	660.46	564.44
Depreciation on right-of-use asset	200.08	203.31
Amortization on intangible assets	3.46	0.41
Total	**864.00**	**768.16**

Note-29 Other Expenses

(a) Manufacturing and Operating expenses

	Year ended 31st March, 2024	Year ended 31st March, 2023
Consumption of stores and spare parts	3,069.27	3,558.52
Power and fuel	1,237.83	1,521.67
Job work charges	4,306.28	3,702.29
Payment to labour contractor	1,770.87	1,654.49
Repairs to buildings	28.06	58.12
Repairs to machinery	268.59	302.57
Other Manufacturing and Operating expenses	320.19	230.85
Total (A)	**11,001.09**	**11,028.51**

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

(b) Other expenses

	Year ended 31st March, 2024	Year ended 31st March, 2023
Rent	213.37	194.88
Insurance	172.04	194.14
Repairs & Maintenance- Others	97.80	98.33
Rates and Taxes	106.82	51.99
Commission to selling agents	898.29	843.73
Freight expenses	1,109.38	1,413.28
Legal and Professional Expenses	362.79	349.80
IT outsourced Support Services	220.76	147.17
Travelling & Conveyance	482.41	405.97
Advertisement and Sales Promotion expenses	430.03	286.27
Director sitting fees & Commission (Refer note 42)	26.50	42.50
Net loss on disposal/discard of property, plant and equipment	5.57	9.69
Facility Charges (Refer note 40)	446.67	495.00
Net Loss on foreign exchange fluctuations	-	126.79
Corporate Social Responsibility (Refer note 43)	98.00	79.00
Receivables and advances written off	-	3.77
Less: Allowances there against	-	(3.77)
Software expenses	93.08	70.10
Security charges	90.46	100.58
Communication expenses	50.00	49.43
Printing and stationery expenses	31.33	34.92
Motor car expenses	32.11	50.90
Miscellaneous expenses	253.20	392.47
Total (B)	**5,220.61**	**5,436.94**
Total (A+B)	**16,221.70**	**16,465.45**

(c) Details of payment to auditors included in legal and professional expenses

	Year ended 31st March, 2024	Year ended 31st March, 2023
Payment to auditors		
a) Audit fees	19.25	14.25
b) Limited Review	6.25	6.25
c) Certification Fees	2.30	0.20
d) Reimbursement of out-of-pocket expenses	0.66	0.56
Total payments to auditors *	**28.46**	**21.26**

* Invoices amounting to Rs Nil lakhs (previous year Rs 10.96 lakhs) towards initial public offer related work .

(d): Corporate social responsibility expenditure

	Year ended 31st March, 2024	Year ended 31st March, 2023
Amount required to be spent by the Company during the year	98.00	79.00
Amount of expenditure incurred	98.00	79.00
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year	-	-

Refer Note 43

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 30(a): Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	As at March 31, 2024	As at March 31, 2023
Current tax		
Current year	304.45	1,086.63
Total current tax	**304.45**	**1,086.63**
Deferred tax		
Deferred tax charge/ (Credit)	(388.62)	54.30
Total deferred tax	**(388.62)**	**54.30**
Total tax expense/(credit)	**(84.17)**	**1,140.93**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	As at March 31, 2024	As at March 31, 2023
Profit before tax	(483.36)	4,453.04
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	(121.65)	1,120.74
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	39.82	22.65
Others	(2.34)	(2.46)
Total income tax expense	**(84.17)**	**1,140.93**

Consequent to reconciliation items shown above, the effective tax rate is 17.41% (31st March ,2023: 25.62%)

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 30(b): Income tax assets (net) - non-current

	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provision of Rs. 3,292.07 Lakhs (March 31, 2023: Rs. 4,787.17 Lakhs))	252.77	237.90
	252.77	237.90

Note 30(c): Income tax assets (net) -Current

	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provision of Rs.1,086.63 Lakhs (March 31, 2023: Rs. Nil)	132.33	-
	132.33	-

156

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 30(d): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2024

Particulars	As at 1st April, 2023	(Credit)/charge in Other Equity	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2024
Deferred tax assets on account of :				
Amounts allowable for tax purpose on payment basis	90.83	-	(20.59)	70.24
Allowances for doubtful receivable and advances	55.92	-	6.02	61.94
Amount paid under voluntary retirement scheme	-	-	358.50	358.50
Lease Liabilities	359.47	-	(46.64)	312.83
	506.22	-	**297.29**	**803.51**
Deferred tax (liabilities) on account of:				
Property plant and equipment and intangible assets	(258.61)	-	41.63	(216.98)
Right-of-use Assets	(250.30)	-	49.05	(201.25)
Equity component of compound financial instruments	-	(1,066.56)		(1,066.56)
Unwinding of interest on preference shares	-		0.65	0.65
	(508.91)	**(1,066.56)**	**91.33**	**(1,484.14)**
Total	**(2.69)**	**(1,066.56)**	**388.62**	**(680.63)**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

157

JK Files & Engineering Limited
(Formerly known as JK Files (India) Limited)
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 30(d): Deferred tax assets (net)

The movement in deferred tax assets and liabilities during the year ended 31st March , 2023

Particulars	As at 1st April, 2022	(Credit)/charge in Other Equity	Credit/(charge) in Statement of Profit and Loss	As at 31st March , 2023
Deferred tax assets on account of :				
Amounts allowable for tax purpose on payment basis	102.39	-	(11.56)	90.83
Allowances for doubtful receivable and advances	116.10	-	(60.18)	55.92
Amount paid under voluntary retirement scheme	1.46	-	(1.46)	-
Lease Liabilities	390.65	-	(31.18)	359.47
	610.60	-	(104.38)	506.22
Deferred tax (liabilities) on account of:				
Property plant and equipment and intangible assets	(270.54)	-	11.93	(258.61)
Right-of-use Assets	(288.45)	-	38.15	(250.30)
	(558.99)	-	50.08	(508.91)
Total	51.61	-	(54.30)	(2.69)

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

158

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 31: Post retirement benefit plans
i) Defined benefit plans - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of services, subject to ceiling of Rs. 20 lakhs . The gratuity plan is funded plan and the Company makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	As at 31st March, 2024	As at 31st March , 2023
Present value of defined benefit obligation	(1,656.00)	(2,154.22)
Fair value of plan assets	1,640.59	2,092.07
Net defined benefit obligation	**(15.41)**	**(62.15)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2024			As at 31st March ,2023		
	Plan liabilities	Plan Assets	Net	Plan liabilities	Plan Assets	Net
As at beginning of the year	(2,154.22)	2,092.07	(62.15)	(2,535.93)	2,248.85	(287.08)
Current service cost (including past service cost)	(107.53)	-	(107.53)	(122.60)	-	(122.60)
Interest (cost)/Income	(160.27)	155.65	(4.62)	(177.01)	156.96	(20.05)
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	(31.99)	(31.99)	-	(15.32)	(15.32)
Gain/(loss) arising from changes in financial assumptions	(21.22)	-	(21.22)	55.64	-	55.64
Gain/(loss) arising from experience adjustments	149.90	-	149.90	13.01	-	13.01
Employer contributions	-	62.20	62.20	-	310.72	310.72
Benefit directly paid by employer	-	-	-	3.53	-	3.53
Benefit payments	637.34	(637.34)	-	609.14	(609.14)	-
As at end of the year	(1,656.00)	1,640.59	(15.41)	(2,154.22)	2,092.07	(62.15)

The present value of obligation at each balance sheet date above relates to active employees.

The liabilities are split between different categories of plan participants as follows:
- Active members - 2023-24: 649 Nos. (2022-23: 887 Nos.)
- Deferred members -2023-24 Nil (2022-23 Nil)
- Retired members - 2023-24 Nil (2022-23 Nil)

C. The Company expects to contribute Rs. 107.31 lakhs to the funded plans in financial year 2024-25 (2023-24 Rs 169.68 lakhs) for gratuity.

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

D. Statement of Profit and Loss

	Year ended 31st March, 2024	Year ended 31st March, 2023
Employee Benefit Expenses:		
Current service cost (including past service cost)	107.53	122.60
	107.53	**122.60**
Interest Cost	4.62	20.05
Net impact on the Profit before tax	**112.15**	**142.65**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	(31.99)	(15.32)
Gain/(loss) arising from changes in demographic assumptions	-	-
Gain/(loss) arising from changes in financial assumptions	(21.22)	55.64
Gain/(loss) arising from experience adjustments	149.90	13.01
Net impact on the Other Comprehensive Income before tax	**96.69**	**53.33**

E. Assets

	As at 31st March, 2024	As at 31st March, 2023
Insurer managed fund	1,640.59	2,092.07
Total	**1,640.59**	**2,092.07**

F. Significant Estimate: Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Financial Assumptions	As at 31st March, 2024	As at 31st March, 2023
Discount rate	7.21%	7.44%
Salary Escalation Rate	7.50%	7.50%
Attrition rate	2.00%	2.00%
Return on plan assets	7.21%	7.44%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

160

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024

G. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Change in assumption	As at 31st March, 2024 Increase in assumption having an impact on present value of plan liability	As at 31st March, 2024 Decrease in assumption having an impact on present value of plan liability	As at 31st March, 2023 Increase in assumption having an impact on present value of plan liability	As at 31st March, 2023 Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(87.95)	100.03	(111.30)	124.94
Salary Escalation Rate	1%	93.90	(85.66)	120.71	(110.99)
Attrition rate	1%	(1.94)	2.12	(0.98)	1.03

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

H. The defined benefit obligations shall mature after year end 31st March, 2024 as follows:

Gratuity :	Defined benefit obligation As at 31st March, 2024	Defined benefit obligation As at 31st March, 2023
1st year	190.44	205.21
2nd year	126.66	194.43
3rd year	256.79	255.17
4th year	182.66	336.34
5th year	270.22	259.36
Thereafter	1,846.69	2,415.77

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund, employe's state insurance scheme etc in India for employees .The contributions are made to registered fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 274.61 Lakhs. (31st March, 2023 Rs. 313.61 lakhs)

(iii) Compensated absences:

The provision for compensated absences cover the Company's liability for sick and earned leave.
The amount of the provision of Rs 264.84 lakhs for 31st March, 2024 (Rs 306.87 lakhs for 31st March, 2023) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-32 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end	358.34	442.31
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	1.93	-
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	1.93	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

Note 33: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the year the Code becomes effective.

Note 34: Earnings per share

		Year ended 31st March, 2024	Year ended 31st March, 2023
Basic Earnings Per Share has been computed as under:			
Profit for the year	A	(399.19)	3,312.11
Weighted average number of equity shares for basic EPS (in nos.)	B	5,24,43,948	5,24,43,948
Earnings Per Share (Rs.)	A/B	(0.76)	6.32
Diluted			
Profit for the year	C	(399.19)	3,312.11
Weighted average number of equity shares outstanding for basic EPS (in nos.)		5,24,43,948	5,24,43,948
Weighted average number of equity shares for dilutive EPS	D	5,24,43,948	5,24,43,948
Dilutive Earnings Per Share (Rs.)	C/D	(0.76)	6.32
Nominal value per equity share (in Rs.)		2.00	2.00

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 35 :Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2024	As at March 31, 2023
Current Assets		
Floating Charge		
Trade receivables	5,830.18	4,623.70
Inventories	7,445.14	6,705.55
Cash and Bank balance	166.30	170.55
Others financial asset	264.83	705.38
Other current assets	1,505.33	1,479.10
Total Current assets given as security	**15,211.78**	**13,684.28**
Non Current Assets		
First Charge		
Building	892.58	-
Plant and machinery	2,976.89	-
Furniture & fixtures	33.51	-
Vehicles	22.29	-
Office equipment	22.62	-
Computers	88.04	-
Right of use assets	123.24	-
Capital work - in - progress	64.97	-
Total non-current assets given as security	**4,224.14**	-
Total assets pledged as security	**19,435.92**	**13,684.28**

The charge created on current assets and movable fixed assets provided as security for the non-convertible debentures is in the process of being registered with the Registrar of Companies. Further, the Company is the process of executing the deed of mortgage for the immovable assets given as security and the charge on the same will be registered with the Registrar post the deed execution.

Note 36: Contingent liabilities (to the extent not provided for)

	As at March 31, 2024	As at March 31, 2023
Contingent Liabilities		
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	34.58	-
Sales tax Matters	21.35	21.35
Excise and service tax Matters	26.38	26.38
Goods and Service Tax Matters	57.26	-
Other Matters	130.05	130.05

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The uncertainties are dependent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 37: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment	624.37	672.62
Less: Capital advances	6.86	253.80
Property, plant and equipment (Net of capital advances)	**617.51**	**418.82**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 38: Fair Value measurement

Financial instruments by category

	As at March 31, 2024		As at March 31, 2023	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Investments	-	3,563.04	3,526.55	3,562.99
Loans	-	40,100.00	-	-
Derivative Financial instruments	8.74	-	-	-
Other Financial Assets	-	565.81	-	1,168.77
Trade receivable	-	5,830.18	-	4,623.70
Cash and bank balance	-	166.30	-	170.55
	8.74	50,225.33	3,526.55	9,526.01
Financial Liabilities				
Borrowings	-	35,390.50	-	735.26
Derivative financial instruments	-	-	56.06	-
Trade Payables	-	5,418.41	-	4,989.30
	-	40,808.91	56.06	5,724.56

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2024		As at March 31, 2023	
	Level 1	Level 2	Level 1	Level 2
Financial Assets				
Investments	-	-	3,526.55	-
Derivative Financial instruments	-	8.74	-	-
Total financial assets	-	8.74	3,526.55	-
Financial Liabilities				
Derivative financial instruments	-	-	-	56.06
Total financial liabilities	-	-	-	56.06

Financial instruments by category

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivables, cash and cash equivalent, other current financial asset (other than derivative), trade payable , Current borrowings and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

4. All borrowings of the Company carry variable rate of interest and hence, the fair value of such instruments is equivalent to their carrying amounts.

5. In respect of loans given, which are subject to market driven rate of interest, fair values are considered to be their carrying values. Further, with respect to non-current security and other deposits, considering the amounts involved are not significant, the fair values of such instruments are not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of NAV declared by the fund for investment in mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

164

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 39 : Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the standalone financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

a) Exposure to interest rate risk

Particulars	As at March 31, 2024	As at March 31, 2023
Total borrowings	35,390.50	735.26
Borrowings bearing variable rate of interest	34,625.86	735.26
% of Borrowings bearing variable rate of interest	98%	100%

b) Interest rate sensitivity
A change of 50 bps in interest rates would have following Impact on profit before tax

	Year ended 31st March, 2024	Year ended 31st March, 2023
50 bp increase would decrease the profit before tax by	173.13	3.68
50 bp decrease would Increase the profit before tax by	(173.13)	(3.68)

b) Market risk - Foreign Currency risk
The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by Forward Contracts, purchasing of goods, commodities and services in the respective currencies.

(a)Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2024						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	2.74	2,287.99	1.26	1,134.53	-	-	3,422.52
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.43)	(1,194.29)	(0.63)	(563.97)	-	-	(1,758.26)
Net Exposure (to the extent of outstanding balance)	**1.31**	**1,093.70**	**0.63**	**570.56**	-	-	**1,664.26**
Trade Payable	1.09	907.53	-	-	-	-	907.53
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**1.09**	**907.53**	-	-	-	-	**907.53**

(a)Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2023						
	USD (in Mn.)	In Rs	EUR (in Mn.)	In Rs	GBP (in Mn.)	In Rs	Total (In Rs.)
Trade Receivable	2.96	2,433.66	1.03	927.30	-	-	3,360.96
Offset by Derivatives : Foreign Exchange Forwards Contracts	(1.21)	(999.50)	(1.03)	(927.30)	-	-	(1,926.80)
Net Exposure (to the extent of outstanding balance)	**1.75**	**1,434.16**	-	-	-	-	**1,434.16**
Trade Payable	0.19	155.29	-	-	-	-	155.29
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-
Net Exposure (to the extent of outstanding balance)	**0.19**	**155.29**	-	-	-	-	**155.29**

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

(b)Derivative outstanding as at the reporting date

(in Mn.)

Foreign currency	As at March 31, 2024		As at March 31, 2023	
	Sell	Buy	Sell	Buy
Forward Contracts USD	1.43	-	1.21	-
Forward Contracts EURO*	0.63	-	1.16	-

* The Company has taken forward contracts based on confirm future export sales orders.
Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity
A change of 5% in foreign currency would have following impact on profit before tax

	Year ended 31st March, 2024		Year ended 31st March, 2023	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	9.31	(9.31)	56.18	(56.18)
EURO	28.53	(28.53)	-	-
Increase/ (Decrease) in Profit or Loss	37.84	(37.84)	56.18	(56.18)

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

166

(All amounts are in Rs. lakhs, unless stated otherwise)

(c)Price Risk

Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Company's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended 31st March, 2024	Year ended 31st March, 2023
NAV - Increases by 1% *	-	35.27
NAV - Decreases by 1% *	-	(35.27)

* Holding all other variables constant

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent, investments and other bank balances

Credit risk related to cash and cash equivalents and investments is managed by accepting highly rated banks and financial institutions. Investments primarily includes investment in mutual funds. Management does not expect any losses from non-performance by these counterparties.

Loans and Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to assets other than loans are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. With respect to the loans, these are based on market interest rate, the expected credit loss is insignificant. Further, since the other amounts involved are not significant, the expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2024	As at March 31, 2023
As at beginning of the year	172.05	377.56
Add/(Less):- Changes in Loss Allowances	23.94	(205.51)
As at end of the year	195.99	172.05

Ageing	Expected credit loss % As at March 31, 2024	As at March 31, 2023
Not Due		
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	0%	0%
271-360 days	100%	100%
more than 360 days	100%	100%
	100%	100%

ii) Movement in allowances for other receivables

	As at March 31, 2024	As at March 31, 2023
As at beginning of the year	50.12	83.72
Add/(Less):- Changes in Loss Allowances	-	(33.60)
As at end of the year	50.12	50.12

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

167

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Ageing	Expected credit loss % As at March 31, 2024	As at March 31, 2023
Not Due		
0-90 days	0%	0%
91-180 days	0%	0%
181-270 days	0%	0%
271-360 days	0%	0%
	0%	0%
more than 360 days	100%	100%

C) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2024	As at March 31, 2023
Variable Borrowing -Cash Credit expires within 1 year	4,448.54	8,900.01

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

	As at March 31, 2024				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Non-current borrowings	-	-	27,928.00	8,620.00	36,548.00
Current borrowings (including interest accrued)	2,127.33	952.00	-	-	3,079.33
Trade payable #	-	5,418.41	-	-	5,418.41
Lease liabilities	-	336.02	1,197.80	46.63	1,580.45
Deposits from dealers, agents etc.	487.08	50.00	-	-	537.08
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	958.29	-	-	958.29
Total	2,614.41	7,714.72	29,125.80	8,666.63	48,121.56

	As at March 31, 2023				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Current borrowings (including interest accrued)	737.17	-	-	-	737.17
Trade payable #	-	4,989.30	-	-	4,989.30
Lease liabilities	-	324.37	1,533.82	46.63	1,904.82
Deposits from dealers, agents etc.	488.63	50.00	-	-	538.63
Other financial liabilities (excluding Deposits from dealers, agents etc.)	-	1,486.91	-	-	1,486.91
Total	1,225.80	6,850.58	1,533.82	46.63	9,656.83

The amounts are payable over a period of 30-90 days as per the credit period with respective vendors

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

168

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-40 Capital risk management

(a) The Company aims to manage its capital efficiently so as to safeguard its ability to continue as going concern and optimise return to shareholder

The capital structure of the Company is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2024	As at March 31, 2023
Net Debt *	36,468.58	1,994.71
Total Equity	19,025.92	16,181.32
Net Debt to total equity	1.92	0.12

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents.

(b) Dividend

The Company has not declered or paid the dividend for the current year and previous year.

Note 41: Issue Of 0.01% Non-Convertible Redeemable Preference Shares ("Preference Shares" or "NCRPS")

During the year, pursuant to the approval of the Board of Directors in their meeting held on March 15, 2024, the Company has issued 50,00,000 Non-Converible redeemable Preference Shares of Rs 100 each ("NCRPS"). These shares are redeemable within 20 years at the option of the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs.lakhs, unless stated otherwise)

Note-42 Related Party disclosure as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

(b) **Subsidiary Companies**
JK Talabot Limited, India
Ring Plus Aqua Limited, India
Scissors Engineering Products Limited , India
Maini Precision Products Limited, India

Other related parties with whom transactions have taken place during the period:

(c) **Fellow Subsidiary Companies**
Raymond (Europe) Limited, United Kingdom

(d) **Associate Enterprises**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia

Other related parties:

(e) **Key Management Personnel :**

Whole time Director	: Mr. Balasubramanian Vishwanathan
Independent Director	: Mr. Satish Sekhri
Independent Director	: Mr. Vijay Bhatt
Non Executive Director	: Mr. Gautamhari Singhania
Non Executive Director	: Mr. Ravikant Uppal
Non Executive Director	: Mrs.Rashmi Brijgopal Mundada

(f) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--2. Transactions carried out with related parties referred in 1 above for the year ended and as at 31st March,2024 , in ordinary course of business :

Nature of transactions	Related Parties											
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above		Referred in 1(f) above	
	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023	Year ended 31st March, 2024	Year ended 31st March, 2023
Purchases :												
Goods and Materials	-	-	2,572.17	2,673.39	-	-	-	-	-	-	-	-
Purchase of MEIS licence	-	-	-	2.13	-	-	-	-	-	-	-	-
Sales :												
Sale of products & services	-	-	739.08	911.82	-	-	-	-	-	-	-	-
Expenses :												
Employee Benefits Expenses:												
Managerial remuneration	-	-	-	-	-	-	-	-	621.25	229.69	-	-
Other Expenses :												
Rent expenses	145.42	145.42	-	-	-	-	-	-	-	-	-	-
Facility Charges	446.67	495.00	-	-	-	-	-	-	-	-	-	-
Directors sitting fees & commission	-	-	-	-	-	-	-	-	26.50	42.50	-	-
Legal and Professional expenses	-	-	-	-	-	-	-	-	22.00	16.00	-	-
Finance Cost :												
Other borrowing costs	-	-	1.24	-	-	-	-	-	-	-	-	-
Interest expense on non current borrowings	115.37	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenses:												
Electricity charges	71.34	57.25	-	-	-	-	-	-	-	-	-	-
Legal and Professional Expenses	72.75	43.29	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	100.86	90.54	1.84	-	-	-	-	-	-	-	-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	-	-	62.20	310.72
Other Receipts :												
Cost of shared manpower	-	-	623.37	262.74	-	-	-	-	-	-	-	-
Reimbursement of expenses	1,184.30	837.85	3.15	6.42	-	-	-	-	-	-	-	-
Financial assets:												
Loans	-	-	40,100.00	-	-	-	-	-	-	-	-	-
Other income:												
Interest income	-	-	218.24	-	-	-	-	-	-	-	-	-
Non-current borrowings												
Loan	22,500.00	-	-	-	-	-	-	-	-	-	-	-
Subscription of Preference Shares (NCRPS)	5,000.00	-	-	-	-	-	-	-	-	-	-	-

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note–2. Outstanding balances receivable / payable in cash, with related parties referred in 1 above for the year ended and as at 31st March, 2024 , in ordinary course of business:

Nature of transactions	Related Parties									
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Outstandings :										
Trade Payable	-	-	602.86	665.31	16.15	16.15	-	-	10.00	20.00
Trade Receivable *	-	-	-	-	-	-	13.93	13.93	-	-
Other Financial Assets (Current)*	227.10	650.52	28.74	45.82	-	-	50.12	50.12	-	-
Loans (Non-current)#	-	-	40,100.00	-	-	-	-	-	-	-
Borrowings (Non Current):										
Loans	22,500.00	-	-	-	-	-	-	-	-	-
Liability component of compound financial instrument	764.64	-	-	-	-	-	-	-	-	-

* Trade receivable and receivable from related party referred to in 1(c) above from PT JayKay Files and PT JayKay International, Indonesia has been fully provided.
\# The Loan has been utilised for meeting their funding requirement for the purpose of investment.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

173

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2024, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2024	Year ended 31st March, 2023
Purchases :		
Goods and Materials		
J K Talabot Limited	2,572.17	2,673.39
Purchase of DEPB licence		
J K Talabot Limited	-	2.13
Sales :		
Sale of products & services		
J K Talabot Limited	736.62	906.97
Ring Plus Aqua Limited.	2.46	4.85
Expenses :		
Employee Benefits Expenses:		
Short term employee benefits		
Mr. Balasubramanian Vishwanathan	611.94	222.56
Post employment benefits		
Mr. Balasubramanian Vishwanathan	9.31	7.13
Other Expenses :		
Rent expenses		
Raymond Limited	145.42	145.42
Facility Charges		
Raymond Limited	446.67	495.00
Director sitting fees & commission		
Director sitting fees		
Mrs. Rashmi Mundada Brijgopal	3.00	4.50
Mr. Ravikant Uppal	2.50	3.50
Mr. Gautam Hari Singhania	0.50	1.00
Mr. Satish Sekhri	5.50	7.00
Mr. Vijay Bhatt	5.00	6.50
Director commission		
Mrs. Rashmi Mundada Brijgopal	2.00	4.00
Mr. Ravikant Uppal	2.00	4.00
Mr. Gautam Hari Singhania	2.00	4.00
Mr. Satish Sekhri	2.00	4.00
Mr. Vijay Bhatt	2.00	4.00
Legal and Professional Expenses		
Mr. Ravikant Uppal	22.00	16.00
Reimbursement of Expenses:		
Electricity charges		
Raymond Limited	71.34	57.25
Legal and Professional Expenses		
Raymond Limited	72.75	43.29
Miscellaneous expenses		
Raymond Limited	100.86	90.54
Ring Plus Aqua Limited	1.84	-
Finance cost		
J K Talabot Limited	1.24	-
Employees Gratuity fund	62.20	310.72

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2024, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	**Year ended 31st March, 2024**	**Year ended 31st March, 2023**
Other Receipts :		
Cost of shared manpower		
J K Talabot Limited	-	10.74
Ring Plus Aqua Limited	623.37	252.00
Reimbursement of expenses		
Raymond Limited	1,184.30	837.85
Ring Plus Aqua Limited.	3.15	4.25
J K Talabot Limited	-	2.17
Financial assets (Non-current)		
Loans		
Ring Plus Aqua Limited.	40,100.00	-
Interest income on Loan given		
Ring Plus Aqua Limited.	218.24	-
Non-current borrowings		
Loan from a related party		
Raymond Limited	22,500.00	-
Interest expense on non-current borrowing		
Raymond Limited	115.37	-
Subscription of Preference Shares (NCRPS)		
Raymond Limited	5,000.00	-

The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately.

Outstandings :	**As at 31st March, 2024**	**As at 31st March, 2023**
Trade Payable		
J K Talabot Limited	602.86	665.31
Raymond Europe Limited	16.15	16.15
Trade Receivable		
P T Jaykay International Indonesia*	13.93	13.93
Non-current financial assets (Loans)		
Ring Plus Aqua Limited.	40,100.00	-
Other Financial Assets (Current)		
Ring Plus Aqua Limited.	28.74	45.82
P T Jaykay Files Indonesia*	50.12	50.12
Raymond Limited	227.10	650.52
Non-current borrowings - Loan		
Raymond Limited	22,500.00	-
Non-current borrowings - Liability component of compound financial instruments		
Raymond Limited	764.64	-
Trade Payable		
Mrs. Rashmi Mundada Brijgopal	2.00	4.00
Mr. Ravikant Uppal	2.00	4.00
Mr. Gautam Hari Singhania	2.00	4.00
Mr. Satish Sekhri	2.00	4.00
Mr. Vijay Bhatt	2.00	4.00

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note--3. Transactions carried out with related parties referred in 1 above for the year ended and as at March 31, 2024, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended 31st March, 2024	Year ended 31st March, 2023
Particulars	**As at 31st March, 2024**	**As at 31st March, 2023**
Trade Receivables		
P T Jaykay International Indonesia	13.93	13.93
Other Financial Assets		
P T Jaykay Files Indonesia	50.12	50.12

Transactions were done in ordinary course of business and on normal terms and conditions.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs.lakhs, unless stated otherwise)

Note 43 :- Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Contribution towards animal welfare	50.00	25.00
Contribution towards promoting education	20.00	25.00
Contribution towards reducing inequalities faced by socially and economically backward groups	7.50	-
Contribution toward promoting healthcare	0.50	21.50
Contribution for women empowerment, girl education and child development	20.00	7.50
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	98.00	79.00
Total	**98.00**	**79.00**
Amount required to be spent as per Section 135 of the Act	**98.00**	**79.00**
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	98.00	79.00

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

	Balance as at beginning of the year	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at end of the year
For the year ended 31st March, 2024	-	-	98.00	98.00	-
For the year ended 31st March, 2023	-	-	79.00	79.00	-

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

176

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 44: Segment Information

In accordance with Accounting Standard Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements of JK Files & Engineering Limited, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Note 45: Analytical Ratios

Sr No.	Ratio	Numerator	Denominator	Unit of measurement	March 2024	March 2023	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	in times	1.29	1.81	-28.59%
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	in times	1.93	0.13	1340.18%
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	in times	1.37	10.39	-86.82%
(d)	Return on Equity Ratio	Net Profits after taxes-Preference Dividend	Average shareholder's Equity	in percentages	-2.27%	22.83%	-109.93%
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	in times	4.26	4.23	0.75%
(f)	Trade Receivable Turnover Ratio	Net Sales excluding export incentive	Average Trade Receivable	in times	8.24	11.42	-27.83%
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	in times	10.11	10.64	-4.97%
(h)	Net Capital turnover Ratio	Net sales	Average Working Capital	in times	12.44	6.40	94.23%
(i)	Net Profit Ratio	Net Profit / (Loss) after tax	Net sales	in percentages	-0.92%	6.70%	-113.70%
(j)	Return on Capital Employed	Earning before interest and taxes	Capital Employed	in percentages	0.18%	25.91%	-99.32%
(k)	Return on investment	Earning before interest and taxes	Closing total assets	in percentages	0.15%	17.58%	-99.15%

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Reasons for variance of more than 25% in above ratios :

Sr No.	Ratio	Reasons for the Variances
(a)	Current Ratio	This ratio has reduced due to increase in current borrowing in the current year.
(b)	Debt-Equity Ratio	This ratio has reduced due to increase in borrowing in the current year.
(c)	Debt Service Coverage Ratio	This ratio has decrease due to increase in borrowings & reduction in profits for the current year.
(d)	Return on Equity Ratio	This ratio has reduced due to losses in current year.
(e)	Trade Receivable Turnover Ratio	This ratio has decreased due to decrease in sales and increase in average receivables .
(f)	Net Capital turnover Ratio	This ratio increased due to increase in working capital .
(g)	Net Profit Ratio	The ratio has decreased due to losses in current year.
(h)	Return on Capital Employed	The ratio has decreased due to losses in current year.
(i)	Return on investment	The ratio has decreased due to losses in current year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

178

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 46: Additional and other regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment and intangible asset
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

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

(iv) Relationship with struck off companies
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;
except for the following :

Name of the intermediary	Amount of loan given	Date of loan given to intermediary / Date of amount further invested in beneficiary	Name of ultimate beneficiary	Amount further invested by intermediary in ultimate beneficiary
Ring Plus Aqua Limited, India	2,600.00	Various dates during the financial year 2023-24	Maini Precision Products Limited, India	2,600.00

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

Name of the funding party	Amount of loan received	Date of loan receipt	Name of the intermediary	Amount of loan given (Refer Note below)	Date of loan given to intermediary / Date of amount further invested in beneficiary	Name of ultimate beneficiary	Amount further invested by intermediary in ultimate beneficiary
Raymond Limited, India	27,500.00	Various dates during the financial year 2023-24	Ring Plus Aqua Limited, India	27,500.00	Various dates during the financial year 2023-24	Maini Precision Products Limited, India	27,500.00
Axis Finance Limited, India	10,000.00	March 07, 2024	Ring Plus Aqua Limited, India	10,000.00	Various dates during the financial year 2023-24	Maini Precision Products Limited, India	10,000.00

Note: The Company has provided the loans to Ring Plus Aqua Limited (subsidiary company) for the purpose of acquisition of 59.25% stake in Maini Precision Products Limited

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Standalone financial statements for the year ended 31st March , 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 47: Exceptional Items

Particulars	Year ended 31st March, 2024 (Refer note no (1) below)	Year ended 31st March, 2023 (Refer note no (2) below)
(i) Voluntary Retirement Compensation	1,864.53	-
(ii) Restructuring expenses (related to plant closure)	148.64	-
(iii) Net Gain on sale of leasehold Land & Building	-	(534.42)
(iv) Retirement compensation	-	796.66
Exceptional Items (net) (i+ii+iii-iv)	2,013.17	262.24

1)During the period, the Company has closed operations in its plant situated at Ratnagiri, whereby:

a) Voluntary Retirement Scheme ("VRS") was offered to its employees at the plant. The schemes were operative between May 03, 2023 to May 10, 2023 and September 01, 2023 to September 07, 2023. Pursuant to which, compensation to its employees amounting to Rs. 1,864.53 lakhs have been incurred and paid.

b) Restructring expenses (Other expenditure directly related to VRS and plant closure), aggregating to Rs. 148.64 lakhs have been incurred.

2) During the financial year ended March 31, 2023 ,the Company has disposed its rights in leasehold land (Right of Use Asset) and Building situated of its Pithampur plant on September 16, 2022, resulting in net gain of Rs 534.42 Lakhs. Further, the Company has also given retrenchment compensation amounting to Rs 796.66 lakhs (full and final settlement) to its eligible employees at Pithampur plant in accordance with Section 25FF of Industrial Disputes Act, 1947.

Note 48: Events occurring after the reporting period
The Board of Directors of the Company have approved Composite Scheme of Arrangement between the Company, Maini Precision Products Limited ("MPPL"), Ring Plus Aqua Limited ("RPAL"), JKFEL Tools and Technologies Limited and Ray Global Consumer Enterprise Limited ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, subject to the requisite regulatory approvals.

As per our attached report of even date

For Price Waterhouse Chartered Accountants
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
2nd May, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Cheehani
Company Secretary

Mumbai
2nd May, 2024

9000-1

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of JK Files & Engineering Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of JK Files & Engineering Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 43 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai – 400028
T: +91(22) 66691000, F: +91 (22) 66547804 / 07
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

- 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 Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

11. 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.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Report on Other Legal and Regulatory Requirements

12. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in our CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

13. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and our audit reports in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements, except that in respect of one of the subsidiary companies, the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period July 17, 2023 to September 7, 2023 and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Rules.

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 35 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2024 for which there were any material foreseeable losses.

iii. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in Note 44 to the consolidated financial statements, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 44 to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us in respect of the Holding company and subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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) contain any material misstatement.

v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

vi. Based on our examination, which included test checks, the Company and two of its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, have used accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not available for direct database changes and in case of the Company and one subsidiary, audit trail was not available in case of modification with certain specific functionality in the application.

In respect of another subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not available for certain type of transactions and for direct database changes.

Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled.

14. The Group has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDO2509

Place: Mumbai
Date: May 02, 2024

Annexure A to Independent Auditor's Report
Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of JK Files & Engineering Limited on the consolidated financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of JK Files & Engineering Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDO2509

Place: Mumbai
Date: May 02, 2024

9000-9

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
(All amounts are in Rs. Lakhs, unless stated otherwise)

Consolidated Balance sheet as at March 31, 2024

		Note No.	As at March 31, 2024	As at March 31, 2023
I	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	2(a)	43,957.83	12,841.74
	(b) Right of use assets	2(b)	2,775.85	1,371.72
	(c) Capital work - in - progress	2(c)	173.06	455.77
	(d) Goodwill	3(a)	26,476.49	79.41
	(e) Other intangible assets	3(a)	65,815.80	0.21
	(f) Intangible assets under development	3(b)	78.25	145.76
	(g) Financial assets			
	(i) Investments	4	9.53	8.61
	(ii) Loans	5	102.34	-
	(iii) Other financial assets	6	870.67	500.35
	(h) Deferred tax assets (net)	30(e)	37.51	0.64
	(i) Income tax assets (net)	30(b)	1,105.47	346.30
	(j) Other non-current assets	7	1,978.70	372.17
	Total non-current assets		**1,43,381.50**	**16,122.68**
	Current assets			
	(a) Inventories	8	37,951.94	11,959.20
	(b) Financial assets			
	(i) Investments	4	-	7,484.14
	(ii) Trade receivables	9	33,612.54	11,419.25
	(iii) Cash and cash equivalents	10(a)	2,557.12	1,036.20
	(iv) Bank balances other than (iii) above	10(b)	18.50	18.50
	(v) Loans	5	40.43	-
	(vi) Other financial assets	6	455.67	663.28
	(c) Income tax assets (net) -current	30(c)	132.33	-
	(d) Other current assets	11	8,565.47	1,742.45
			83,334.00	**34,323.02**
	Assets held for sale	12	-	10.55
	Total current assets		**83,334.00**	**34,333.57**
	TOTAL ASSETS		**2,26,715.50**	**50,456.25**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	13	1,048.88	1,048.88
	(b) Other equity	14	34,386.19	27,218.84
	Equity attributable to owners of the Company		**35,435.07**	**28,267.72**
	Non-controlling interests	14	43,794.50	1,904.12
	Total equity		**79,229.57**	**30,171.84**
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	15	53,615.69	-
	(ii) Lease liabilities	2(b)	2,653.96	1,242.92
	(b) Provisions	19	2,664.14	-
	(c) Deferred tax liabilities (net)	30(e)	19,830.04	323.04
	Total non-current liabilities		**78,763.83**	**1,565.96**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	32,187.16	1,454.87
	(ii) Lease liabilities	2(b)	792.22	185.17
	(iii) Trade payables			
	(a) total outstanding dues of micro and small enterprises	17	1,597.16	445.50
	(b) total outstanding other than (iii) (a) above	17	25,399.35	11,440.98
	(iv) Other financial liabilities	18	4,564.36	2,708.24
	(b) Provisions	19	1,655.28	999.90
	(c) Current tax liabilities (net)	30(d)	286.04	15.61
	(d) Other current liabilities	20	2,240.53	1,468.18
	Total current liabilities		**68,722.10**	**18,718.45**
	Total liabilities		**1,47,485.93**	**20,284.41**
	TOTAL EQUITY AND LIABILITIES		**2,26,715.50**	**50,456.25**
	Accounting Policies	1		

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is consolidated balance sheet referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2024

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
(All amounts are in Rs. Lakhs, unless stated otherwise)

10

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

		Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	**Revenue from operations**	21	86,051.83	86,407.89
II	**Other income**	22	1,320.35	789.35
III	**Total income (I+II)**		**87,372.18**	**87,197.24**
IV	**Expenses**			
	Cost of raw materials consumed	23	29,393.01	28,030.63
	Purchases of stock-in-trade	24	5,018.09	5,264.83
	Changes in inventories of work-in progress, finished goods and stock-in-trade	25	(302.20)	1,362.95
	Employee benefits expense	26	10,129.17	10,516.21
	Finance costs	27	838.43	299.42
	Depreciation and amortization expense	28	1,943.15	1,790.06
	Net impairment losses / (reversals) on financial assets	37	23.94	(239.11)
	Other expenses	29	30,866.88	29,983.10
	Total expenses (IV)		77,910.47	77,008.09
V	**Profit before exceptional items and tax (III-IV)**		**9,461.71**	**10,189.15**
VI	**Exceptional Items (net)**	50	(3,399.73)	(597.21)
VII	**Profit before tax (V-VI)**		**6,061.98**	**9,591.94**
VIII	**Tax expense**	30(a)		
	Current tax		1,872.87	2,430.14
	Deferred tax		(493.65)	(16.46)
	Tax charge in respect of earlier years		-	(7.04)
	Total tax expenses (VIII)		**1,379.22**	**2,406.64**
IX	**Profit for the year (VII- VIII)**		**4,682.76**	**7,185.30**
X	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans	31	66.74	68.64
	- Income tax relating to items above		(16.79)	(17.28)
	Other comprehensive income for the year		**49.95**	**51.36**
XI	**Total comprehensive income for the year (IX+X)**		**4,732.71**	**7,236.66**
	Total comprehensive income for the year (comprising profit and other comprehensive income for the year) attributable to:			
	Owners of the parent		4,178.64	6,811.15
	Non-controlling interests		554.07	425.51
			4,732.71	7,236.66
	Of the total comprehensive income above, profit attributable to:			
	Owners of the parent		4,126.65	6,760.91
	Non-controlling interests		556.11	424.39
			4,682.76	7,185.30
	Of the total comprehensive income above, other comprehensive income / (loss) attributable to:			
	Owners of the parent		51.99	50.24
	Non-controlling interests		(2.04)	1.12
			49.95	51.36
XII	**Earnings per equity share (face value of Rs. 2 each) attributable to owners of parent**	32		
	Basic earnings per share (in Rs.)		7.87	12.89
	Diluted earnings per share (in Rs.)		7.87	12.89
	Accounting Policies	1		

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2024

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Consolidated Statement of Changes in Equity for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

A. Equity Share Capital

	Note No.	Equity Share Capital
As at April 01, 2022	13	1,048.88
Change during the year		-
As at March 31, 2023	13	1,048.88
Change during the year		-
As at March 31, 2024	13	1,048.88

B. Other Equity

	Reserves and surplus							Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Equity component of compound financial instruments	Retained Earnings			
Balance as at April 01, 2022	139.69	2,859.91	144.46	2,200.00	-	-	15,025.37	20,369.43	1,473.91	21,843.34
Profit for the year	-	-	-	-	-	-	6,760.91	6,760.91	424.39	7,185.30
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	50.24	50.24	1.12	51.36
Total comprehensive income for the year	-	-	-	-	-	-	6,811.15	6,811.15	425.51	7,236.66
Employee Stock Option Plan Expenses	-	-	38.26	-	-	-	-	38.26	4.70	42.96
Balance as at March 31, 2023	139.69	2,859.91	182.72	2,200.00	-	-	21,836.52	27,218.84	1,904.12	29,122.96
Profit for the year	-	-	-	-	-	-	4,126.65	4,126.65	556.11	4,682.76
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	51.99	51.99	(2.04)	49.95
Total comprehensive income for the year	-	-	-	-	-	-	4,178.64	4,178.64	554.07	4,732.71
Employee Stock Option Plan Expenses	-	-	17.36	-	-	-	-	17.36	2.13	19.49
Employee Stock Option Plan Reversal			(200.08)					(200.08)	(24.55)	(224.63)
Issue of NCRPS (Net of deferred tax of Rs. 1,066.56 lakhs)										
Addition on account of business combination (Refer	-	0.05	-	-	-	3,171.38	-	3,171.43	-	3,171.43
Transfer to / (from)	-	-	-	-	3,000.00	-	(3,000.00)	-	41,358.73	41,358.73
Balance as at March 31, 2024	139.69	2,859.96	-	2,200.00	3,000.00	3,171.38	23,015.16	34,386.19	43,794.50	78,180.69

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2024

12

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Consolidated Statement of Cash Flows for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

		Year ended March 31, 2024		Year ended March 31, 2023	
A.	**Cash flow from operating activities**				
	Profit before exceptional items and tax		9,461.71		10,189.15
	Adjustment for :				
	Depreciation and amortisation expenses	1,943.15		1,790.06	
	Net (gain) / loss on disposal/discard of property, plant and equipment	(143.23)		25.81	
	Interest income	(60.70)		(92.26)	
	Dividend income	-		(0.04)	
	Finance costs	838.43		299.42	
	Employee Stock Option Plan Expenses / (reversal)	(205.16)		42.96	
	Unrealised gain loss on foreign exchange fluctuations	(52.74)		35.10	
	Net gain loss on sale / fair valuation of investments	(702.33)		(179.10)	
	Gain on termination of lease	-		(1.13)	
	Bad debts, deposits and advances written off	0.50		-	
	Loss allowance against trade receivables	(0.43)		-	
	Net impairment losses (including reversals) on financial assets	23.94	1,641.43	(239.11)	1,681.71
	Operating profit before changes in operating assets and liabilities		11,103.14		11,870.86
	Changes in operating assets and liabilities				
	(Increase) / Decrease in inventory	(931.18)		2,129.61	
	(Increase) in trade receivables	(2,278.01)		(2,352.01)	
	Decrease in other financial assets	407.06		216.18	
	(Increase) / Decrease in other assets	(390.84)		548.45	
	Increase in trade payables	2,130.84		1,461.09	
	(Decrease) in financial liabilities	(442.13)		(370.22)	
	Increase / (Decrease) in other liabilities	295.87		(643.79)	
	(Decrease) in provisions	(56.95)		(177.52)	
			(1,265.34)		811.79
			9,837.80		12,682.65
	Less: Income taxes paid (net)		(2,324.26)		(2,875.06)
			7,513.54		9,807.59
	Exceptional Items		(3,399.73)		(1,118.71)
	Net cash flows generated from operating activities		**4,113.81**		**8,688.88**
B.	**Cash flows from Investing Activities**				
	Proceeds from sale of property, plant & equipment		200.60		943.07
	Proceeds / (Purchase) of current investments (net)		8,186.47		(5,047.65)
	Receipt / (Investment) in bank deposits		169.66		(323.05)
	Interest received		55.89		62.24
	Dividend received		-		0.04
	Payment towards purchase of property, plant and equipment		(1,874.04)		(3,351.05)
	Payment for acquisition of subsidiary, net off cash acquired (Refer note 45)		(66,568.69)		-
	Net cash flows (used in) from investing activities		**(59,830.11)**		**(7,716.40)**
C.	**Cash flows from Financing Activities**				
	Proceeds from Issue of Debentures		30,000.00		-
	Proceeds of loan from a related party		22,500.00		-
	Proceeds Issue of Preference Shares		5,000.00		-
	Proceeds / (Repayment) of Short term borrowings (net)		765.20		(297.22)
	Principal element of lease payments		(185.17)		(162.41)
	Interest on lease liabilities		(136.02)		(149.21)
	Interest paid - others		(706.79)		(135.32)
	Net cash flows generated from / (used in) financing activities		**57,237.22**		**(744.16)**
	Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)		1,520.92		228.32
	Cash and Cash Equivalents at the beginning of the year		1,036.20		807.88
	Cash and Cash Equivalents as at the end of the year (Refer note 10(a))		**2,557.12**		**1,036.20**

Price Waterhouse Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

13

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Consolidated Statement of Cash Flows for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Non-cash financing and investing activities

	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right-of-use assets	-	61.02

The above consolidated statement cash flow should be read in conjunction with the accompanying notes.

This is consolidated statement cash flow referred to in our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2024

For and on behalf of the Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2024

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 1. Statement of Accounting Policies

I Background and Basis of preparation of Consolidated Financial Statements

JK Files & Engineering Limited ("the Company") is a public company limited by shares and domiciled in India. The Company and its subsidiaries (together referred to as "the Group" Refer Note 42) deals in tools and hardware, auto component , aerospace components and other related products. The Group have manufacturing facilities at Chiplun, Ratnagiri, Nasik, Vapi and Bengaluru. The Registered office of the Company is situated at Mumbai. Refer Note 45 for acqusition of Maini Precision Products Limited and Note 47 - (i)1 for closure of Ratnagiri Plant of the Company.

This Consolidated Financial Statements were authorised for issues in accordance with a resolution of the Board of Directors on May 02, 2024.

(a) Basis of Preparation

(i) The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'IndAS' as notified under pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015, as amended], and other relevant provisions of the Act.
The accounting policies are applied consistently to all the periods presented in the financial statement.

(ii) Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:
1) certain financial assets and liabilities (including derivative instruments) are measured at fair value;
2) assets held for sale – measured at lower of book value or fair value less cost to sell; and
3) defined benefit plans – plan assets measured at fair value.
4) share based payments

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:
1) Disclosure of accounting policies – amendments to Ind AS 1
2) Definition of accounting estimates – amendments to Ind AS 8
3) Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12 The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

(iv) Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(v) Rounding of amounts

All the amounts included in the Consolidated Financial Statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest lakhs with two decimal places, unless otherwise stated.

(b) Principles of Consolidation

Subsidiaries:

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combination by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are the same as those adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

II Summary of material accounting policies

(a) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation on Factory Buildings and Plant and Machinery is provided on a Straight Line Method and in case of other assets on Written Down Value Method, net of their residual values, over the estimated useful lives of assets. Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The Group depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and Group believe that useful lives of assets are same as those prescribed in Schedule II of the Act, except for plant and machinery and certain vehicles, the useful life for which based on an independent technical evaluation and has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

The estimated useful lives of the property, plant and equipment are:

Class of Asset	**Useful life**
Buildings	60 years
Plant and machinery	24 years
Furniture and fixtures	10 years
Vehicles	5 - 8 years
Office equipment	5 years
Computers	3 years

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

(b) Intangible assets

Goodwill generated as part of business combination is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

Computer software
Computer softwares are stated at cost, less accumulated amortisation and impairments, if any.

Trademarks
Trademarks acquired separately are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Customer relationships, technical knowhow and non compete
Customer relationships, technical knowhow and non compete acquired in a business combination are recognised at fair value at acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Amortisation method
The Group amortizes intangible assets with a finite useful life using the straight-line method over following period:

Class of assets	Useful life
- Computer Software	: 3 years
- Trademark	: 10 years
- Customer relationships	: 20 years
- Technical knowhow	: 10 years
- Non Compete	: 5 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Price Waterhouse Chartered Accountants LLP AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(c) Inventories

Inventories of raw materials, stock in trade, stores and spares, work-in-progress, and finished goods are stated at cost or net realisable value, whichever is lower'. Cost of raw materials, stores and spare and stock-in-trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(d) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(e) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Preference shares, which are non-convertible and redeemable on a specific date and carry a coupon rate which is not market driven rate, are classified as compound financial instruments.

The fair value of the liability portion is determined using a market interest rate. This amount is recorded as a liability on an amortised cost basis until extinguished on redemption of the preference shares. The remainder of the proceeds is attributable to the equity component of the compound instrument. This is recognised and included in Other equity, net of income tax effects, and not subsequently measured.

(f) Revenue from contracts with customers

(i) Sale of Goods

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a normal credit period, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Sales of Services

Revenue from sale of services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

For contracts - where performance obligation is satisfied over time, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided.

For contracts - where performance obligation is satisfied at a point in time, revenue is recognised based based on the completion of service as per the terms of the contract and the Company has established its right for payment.

FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

(iii) Financing Components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(iv) Cash received before the goods and services are delivered is recognised as a contract liability.

III Other Accounting Polivies

(a) Use of estimates and judgments

The estimates and judgments used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(b) Leases

As a lessee

Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Group for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Group where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(c) Cash and Cash Equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

18

(e) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss,) and
* those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Financial assets are initially recognised when the Group becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Equity instruments::

The Group subsequently measures all equity instruments at fair value. Changes in the fair value are recognised in Other Income.

Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group measures its debt instruments in following categories:

▪ Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

▪ Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the period in which it arises.

(iv) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:
• the Group has transferred the rights to receive cash flows from the financial asset or
• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividends

Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of the investment.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

19

(f) Contributed Equity

Equity shares are classified as equity. Convertible instruments such as preference shares that will be or are expected to be settled in the Company's own equity instruments are classified as equity if they are expected to be settled into a fixed number of equity shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(g) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(h) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(j) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(k) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Consolidated Financial Statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Consolidated Financial Statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(l) Employee benefits

(i) Short-term Employee Benefits:
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans
The Group pays provident fund contributions etc. to publicly administered provident and other funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are incurred.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

(iii) Post-employment obligations
Defined Benefit Plans
The liability or asset recognised at each the balance sheet date in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit or Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in profit or loss as past service cost.

(iv) Other long-term employee benefit obligations
The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b)when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(m) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is JK Files & Engineering Limited's functional and presentation currency.

(ii) Transactions and balances
Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.
Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(n) Income tax
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the jurisdiction where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the Consolidated Financial Statements. However, deferred tax liabilities are not accounted if they arise from initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

21

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(o) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(p) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.

The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Group, and makes strategic decisions.

(q) Impairment of non-financial assets:

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(r) Non- current assets (or disposal groups) held for sale :

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (or disposal groups) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(s) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Group for the period. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(t) Government Grants:

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

(u) Business Combinations:

The acquisition method of accounting is used to account for all business combinations (other than common control business combinations), regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

(v) Share Based Payments:

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).

The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

IV Critical estimates and judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 31)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 8)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 2(a): Property, Plant and Equipment

	Freehold Land	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount								
As at April 01, 2022	-	**4,091.85**	**16,011.99**	**140.35**	**81.12**	**342.03**	**363.68**	**21,031.02**
Additions	-	311.14	3,188.22	121.03	29.18	67.60	81.72	3,798.89
Disposals / Adjustments	-	303.91	521.43	1.17	22.00	2.57	11.67	862.75
As at March 31, 2023	-	**4,099.08**	**18,678.78**	**260.21**	**88.30**	**407.06**	**433.73**	**23,967.16**
Additions	-	120.24	2,050.76	35.99	23.68	80.28	57.09	2,368.04
Disposals / Adjustments	-	23.83	60.11	1.43	-	1.49	26.17	113.03
Addition pursuant to business combination (Refer Note 45)	6,283.90	2,048.39	21,317.40	294.20	376.60	107.80	105.10	30,533.39
As at March 31, 2024	**6,283.90**	**6,243.88**	**41,986.83**	**588.97**	**488.58**	**593.65**	**569.75**	**56,755.56**
Accumulated depreciation								
As at April 01, 2022	-	**865.42**	**8,541.70**	**101.28**	**73.72**	**195.16**	**265.11**	**10,042.39**
Charge for the year	-	153.81	1,323.82	11.91	3.74	51.28	40.33	1,584.89
Disposals / Adjustments	-	107.85	362.19	1.10	19.64	1.19	9.89	501.86
As at March 31, 2023	-	**911.38**	**9,503.33**	**112.09**	**57.82**	**245.25**	**295.55**	**11,125.42**
Charge for the year	-	153.79	1,436.97	26.10	8.13	59.79	53.74	1,738.52
Disposals / Adjustments	-	0.31	39.47	0.71	-	1.02	24.70	66.21
As at March 31, 2024	-	**1,064.86**	**10,900.83**	**137.48**	**65.95**	**304.02**	**324.59**	**12,797.73**
Net carrying amount								
As at March 31, 2023	-	**3,187.70**	**9,175.45**	**148.12**	**30.48**	**161.81**	**138.18**	**12,841.74**
As at March 31, 2024	**6,283.90**	**5,179.02**	**31,086.00**	**451.49**	**422.63**	**289.63**	**245.16**	**43,957.83**

Notes:
(i) Refer note 34 for information on property, plant and equipment pledged as security by the Group.
(ii) Refer note 36 for disclosure of contractual commitments for acquisition of property, plant and equipment .

Note 2(b): Leases

This note provides information for leases where the Group is a lessee. The Group has leasehold land ranging from 95 to 99 years. The Group has also leased offices, factories and warehouses for which lease terms range from 11 months to 15 years.

(i) Amounts recognised in Consolidated Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Leasehold Land	Buildings	Total right of use assets
I. Gross carrying amount			
As at April 01, 2022	**498.96**	**1,515.69**	**2,014.65**
Reclassification of asset as 'Asset Held for Sale' (Refer note 12)	10.55	-	**10.55**
Additions	-	61.02	**61.02**
Disposals / Adjustments	83.51	15.86	**99.37**
As at March 31, 2023	**404.90**	**1,560.85**	**1,965.75**
Additions	-	-	-
Disposals / Adjustments	-	-	-
Addition pursuant to business combination (Refer Note 45)	-	1,605.30	**1,605.30**
As at March 31, 2024	**404.90**	**3,166.15**	**3,571.05**
II. Accumulated depreciation			
As at April 01, 2022	**28.64**	**369.71**	**398.35**
Charge for the year	6.79	197.69	**204.48**
Disposals / Adjustments	7.86	0.94	**8.80**
As at March 31, 2023	**27.57**	**566.46**	**594.03**
Charge for the year	6.27	194.90	**201.17**
Disposals / Adjustments	-	-	-
As at March 31, 2024	**33.84**	**761.36**	**795.20**
Net carrying value			
As at March 31, 2023	**377.33**	**994.39**	**1,371.72**
As at March 31, 2024	**371.06**	**2,404.79**	**2,775.85**

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities		
Current	792.22	185.17
Non-current	2,653.96	1,242.92
Total	**3,446.18**	**1,428.09**

(ii) Amounts recognised in the Consolidated Statement of Profit and loss

The consolidated statement of profit or loss shows the following amounts relating to leases:

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of right-of-use assets	28		
- Leasehold Land		6.27	6.79
- Buildings		194.90	197.69
Interest on lease obilgation	27	136.02	149.21
Rent	29(b)	233.64	221.54

(iii) The total cash outflow for leases for the year ended March 31, 2024 Rs. 554.84 lakhs; and for the year ended March 31, 2023 was Rs. 533.16 lakhs (including short term lease payments).

(iv) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

25

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 2(c): Capital work - in - progress (CWIP)

	CWIP
Balance as at April 01, 2022	**880.13**
Additions	3,075.72
Capitalization	3,500.08
Balance as at March 31, 2023	**455.77**
Additions	1,870.94
Capitalization	2,174.59
Addition pursuant to business combination (Refer Note 45)	20.94
Balance as at March 31, 2024	**173.06**

Notes:

i) Capital work - in - progress (CWIP) ageing schedule

Projects in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024	170.26	-	-	2.80	173.06
As at March 31, 2023	452.97	-	2.80	-	455.77

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3(a): Goodwill and other intangible assets

Goodwill was recognised on the following:
1. Demerger of files and tools division of Raymond Limited into the Company in earlier years (wherein goodwill is allocated to the CGU - tools and hardware)
2. Acquisition of Maini Precision Products Limited by Ring Plus Aqua Limited during the current year (goodwill allocated to the CGU - Auto components and Aerospace of Maini Precision Products Limited)

The Group has performed an impairment assessment for goodwill relating to CGU - tools and hardware, for year ended March 31, 2024 and year ended March 31, 2023 considering profits earned by CGU being significantly higher than carrying amount of goodwill for all the years covered above, thus no impairment on goodwill has been recognised.
In respect of Goodwill and other intangible assets recognised during the current year on account of acqusition of MPPL (Refer Note 45). Considering acqusition is completed as at March 28, 2024 and aforesaid intangibles are recognised based on valuation and purchase price allocation therein being carried out by an independent registered valuer, no further impairment assessment has been performed.

	Computer Software	Brands and trademarks	Customer Relationships	Non Compete	Technical Knowhow	Total - Other Intangible Assets	Goodwill
As at April 01, 2022	135.07	1,125.00	-	-	-	1,260.07	79.41
Additions	-	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-	-
As at March 31, 2023	135.07	1,125.00	-	-	-	1,260.07	79.41
Additions	35.14	-	-	-	-	35.14	-
Disposals / Adjustments	-	-	-	-	-	-	-
Addition pursuant to business combination (Refer Note 45)	123.91	-	50,820.00	1,310.00	13,530.00	65,783.91	26,397.08
As at March 31, 2024	294.12	1,125.00	50,820.00	1,310.00	13,530.00	67,079.12	26,476.49
Accumulated amortisation							
Accumulated amortisation as at April 01, 2022	134.17	1,125.00	-	-	-	1,259.17	-
Charge for the year	0.69	-	-	-	-	0.69	-
Disposals / Adjustments	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2023	134.86	1,125.00	-	-	-	1,259.86	-
Additions	3.46	-	-	-	-	3.46	-
Disposals / Adjustments	-	-	-	-	-	-	-
Accumulated amortisation as at March 31, 2024	138.32	1,125.00	-	-	-	1,263.32	-
Net carrying amount							
As at March 31, 2023	0.21	-	-	-	-	0.21	79.41
As at March 31, 2024	155.80	-	50,820.00	1,310.00	13,530.00	65,815.80	26,476.49

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 3(b): Intangible assets under development

	Intangible assets under development
Balance as at April 01, 2022	-
Additions	145.76
Capitalization	-
Balance as at March 31, 2023	**145.76**
Additions	32.25
Transferred to Statement of Profit and Loss	99.76
Capitalization	-
Balance as at March 31, 2024	**78.25**

Notes:

i) Intangible assets under development ageing schedule:

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024	32.25	46.00	-	-	78.25
As at March 31, 2023	145.76	-	-	-	145.76

ii) Actual cost of Intangible assets under development has not exceeded the estimated cost and actual timelines for completion of an projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period.Accordingly, completion schedule is not presented.

iii) Intangible assets under development mainly comprises of ERP implementation Cost.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 4: Investments

Non-current	**As at March 31, 2024**	**As at March 31, 2023**
Equity instruments (Unquoted) - measured at fair value through profit and loss		
10,000 (March 31, 2023 : 10,000) shares of SICOM Limited (Equity Shares of Rs.10 each)	7.91	7.91
7,000 (March 31, 2023 : 7,000) shares of Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	0.70	0.70
421,000 (March 31, 2023 : 421,000) shares of Trinity Auto Component Limited (Equity Shares of Rs.10 each)	-	-
3,514 (March 31, 2023: Nil) shares of Radiance MH Sunrise Twelve Private Limited (Equity Shares of Rs.10 each)	0.35	-
Equity instruments (Quoted) - measured at fair value through profit and loss	-	
704 (March 31, 2023: Nil) shares of IDBI Bank Limited (Equity Shares of Rs.10 each)	0.57	-
Total	**9.53**	**8.61**
Aggregate amount of unquoted investment	8.96	8.61
Aggregate amount of quoted investment	0.57	-
Aggregate market value of quoted investment	0.57	-
Aggregate amount of impairment in the value of investments	42.10	42.10

Current	**As at March 31, 2024**	**As at March 31, 2023**
Investments in Mutual Fund		
Unquoted		
Nil (March 31, 2023 : 82,019.859) Units of Nippon India Ultra Short Duration Fund - Growth Plan	-	2,830.75
Nil (March 31, 2023 : 12,857.222) Units in Nippon India Liquid Fund - Growth Plan - Growth Option	-	701.12
Nil (March 31, 2023 : 5,720,131.157) Units in Aditya Birla Sun Life Crisil IBX AAA - Jun 2023 Index Fund Regular Growth	-	601.04
Nil (March 31, 2023 : 440,356.192) Units in Aditya Birla Sun Life Saving Fund Growth	-	2,043.94
Nil (March 31, 2023 : 1,370,579.276) Units in Kotak Saving Growth Plan (Regular Plan)	-	503.06
Nil (March 31, 2023 : 1,984.972) Units in SBI Magnum Ultra Short Duration Fund Regular Growth	-	101.13
Nil (March 31, 2023 : 1,702,871.875) Units in ICICI Prudential Ultra Short Term Fund Growth	-	402.09
Nil (March 31, 2023: 4,569.153) Units in HDFC Liquid Fund - Regular Plan - Growth	-	200.31
Nil (March 31, 2023: 794,695.936) Units in Axis Ultra Short Term Fund - Regular Growth	-	100.70
Total	-	**7,484.14**
Aggregate amount of unquoted investment	-	7,484.14
Aggregate amount of impairment in the value of investments	-	-

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

(All amounts are in Rs. Lakhs, unless stated otherwise)

29

Note 5: Loans

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Non-current		
Loans to Employees	102.34	-
Total	**102.34**	**-**

	As at March 31, 2024	As at March 31, 2023
Current		
Loans to Employees	40.43	-
	40.43	**-**

There are no loans or advances in the nature of loans outstanding as at March 31, 2024 and March 31, 2023, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

Note 6: Other financial assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits	660.66	120.67
Margin money deposit with banks*	210.01	379.68
Total	**870.67**	**500.35**

* held with banks as lien against bank guarantees, security to government authorities, letter of credit etc.

	As at March 31, 2024	As at March 31, 2023
Current		
Security deposits	0.25	0.25
Derivative financial instruments (Refer Note 37)	214.62	3.04
Receivable from related parties *	277.23	700.64
Less: Allowance for doubtful receivable	(50.12)	(50.12)
Interest accrued	12.18	9.47
Margin money deposit with banks #	1.51	-
Total	**455.67**	**663.28**

* includes Initial Public Offer (IPO) expenses reimbursable by the holding company, Raymond Limited (Refer Note 40).
# held with a Bank as a lien with a customer.

Note 7: Other non-current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Capital advances	1,229.74	271.91
Refund due from government authorities	75.88	75.88
Less: Allowance for doubtful refund	(75.88)	(75.88)
Deposits with government authorities	167.35	100.26
Prepaid expenses (including cost to obtain contract)	581.61	-
Total	**1,978.70**	**372.17**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

Note 8: Inventories

	As at March 31, 2024	As at March 31, 2023
Raw materials	9,451.01	2,721.13
Raw material in transit	1,133.38	-
Work-in-progress	8,920.54	2,771.96
Finished goods	15,833.03	4,741.32
Stock-in-trade	1,097.35	1,110.84
Stock-in-trade in transit	206.70	13.05
Stores and spares	1,309.93	600.90
Total	**37,951.94**	**11,959.20**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Write-down of inventories amounted to Rs. 389.96 lakhs for the year ended March 31, 2024 (Reversal of write-down Rs. 293.10 lakhs for the year ended March 31, 2023). These write- downs or reversal thereof were recognised as expenses / reduction of expenses and included in 'Cost of raw materials consumed', 'changes in inventories of work-in progress, finished goods and stock-in-trade' and 'consumption of stores and spare parts' in the Consolidated Statement of Profit and Loss.

Note 9: Trade receivables

	As at March 31, 2024	As at March 31, 2023
From related parties (Refer note 40)	13.93	13.93
From others customers	34,252.71	11,804.77
Less: Loss allowances	(654.10)	(399.45)
Total	**33,612.54**	**11,419.25**

Break-up of security details

	As at March 31, 2024	As at March 31, 2023
Considered good, Secured	179.33	169.56
Considered good, Unsecured	34,087.31	11,649.14
Which have significant increase in credit risk	-	-
Credit impaired	-	-
Total	**34,266.64**	**11,818.70**
Less: Loss allowances	(654.10)	(399.45)
Total trade receivables	**33,612.54**	**11,419.25**

Note:
Trade Receivable (considered good) ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024							
(i) Undisputed Trade receivables	27,381.00	6,197.26	283.28	70.18	3.55	143.86	34,079.13
(ii) Disputed Trade Receivables	-	-	-	-	-	187.51	187.51
Total	**27,381.00**	**6,197.26**	**283.28**	**70.18**	**3.55**	**331.37**	**34,266.64**
As at March 31, 2023							
(i) Undisputed Trade receivables	9,504.05	1,915.20	59.18	8.62	0.80	142.91	11,630.76
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**9,504.05**	**1,915.20**	**59.18**	**8.62**	**0.80**	**330.85**	**11,818.70**

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 10 (a): Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	1,747.33	1,018.18
- in Exchange earners foreign currency (EEFC) account	706.58	-
- In deposit accounts	100.00	-
Cash in hand	3.21	3.02
Cheques on hand	-	15.00
Total	**2,557.12**	**1,036.20**

Note 10 (b): Bank balances other than 10(a) above

	As at March 31, 2024	As at March 31, 2023
Balance in dividend account*	3.50	3.50
Deposits with maturity more than three months but less than twelve months	15.00	15.00
Total	**18.50**	**18.50**

* Includes Rs. 3.44 lakhs (Previous year Rs. 3.44 lakhs) pertaining to unpaid dividend

Note 11: Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Export benefit receivables	548.18	408.78
GST receivable/refundable	4,846.61	673.22
Advances to suppliers	2,072.90	485.08
Prepaid expenses (including cost to obtain contract)	1,058.53	142.00
Other advances	33.41	33.37
Refund due from government authorities	5.84	-
Total	**8,565.47**	**1,742.45**

Note 12: Assets held for sale

	As at March 31, 2024	As at March 31, 2023
Leasehold Land	-	10.55
Total	-	**10.55**

During the previous year, The board of directors of Ring Plus Aqua Limited (RPAL - Subsidiary Company), in its meeting held on May 12, 2022 gave its approval for the sale of its right in leased plot of land situated at Sinnar, District Nasik, RPAL has, during the year, sold its right in the leasehold land for a total net consideration of Rs. 131.52 lakhs. The gain on such sale is shown under note 22.

JK FILES & ENGINEERING LIMITED

Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 13: Equity Share capital

	As at March 31, 2024	As at March 31, 2023
Authorised		
85,000,000 [March 31, 2023 : 85,000,000] Equity Shares of Rs. 2 each	1,700.00	1,700.00
Nil [March 31, 2023 : 2,200,000] 9% Non-Cumulative Convertible Preference Shares of Rs.100 each	-	2,200.00
60,00,000[March 31,2023: Nil] 0.01%Non-Cumulative Redeemable Preference Shares of Rs 100 each	6,000.00	-
Total	7,700.00	3,900.00
Issued, subscribed and fully paid up - equity shares		
52,443,948 [March 31, 2023 : 52,443,948] Equity Shares of Rs. 2 each	1,048.88	1,048.88
Total	1,048.88	1,048.88
Issued, subscribed and fully paid up -Preference Shares		
50,00,000 [March 31, 2023 : Nil] Non-Convertible 0.01% Redeemable Preference Shares of Rs.100 each	5,000.00	-
Total	5,000.00	-

a) **Reconciliation of number of shares outstanding**

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
(i) Equity Shares				
Balance as at the beginning of the year	5,24,43,948	1,048.88	5,24,43,948	1,048.88
Balance as at the end of the year	5,24,43,948	1,048.88	5,24,43,948	1,048.88
(ii) 0.01% Non-Covertible redeemable Preference Shares ("Preference Shares" or "NCRPS")				
Balance as at the beginning of the year	-	-	-	-
Add:-Preference Shares issued during the year	50,00,000	5,000.00	-	-
Balance as at the end of the year	50,00,000	5,000.00	-	-

b) **Right, preference and restrictions attached to shares:**

i) Equity shares: The Company has only one class of equity shares having par value of Rs. 2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Group after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares:The preference shares ("NCRPS") carry rate of dividend of 0.01% and they are non-convertible and non-cumulative in nature. These preference shares are redeemable within 20 years at the option of the Company. The NCRPS shall not have any voting rights as applicable to the preference shares under the Companies Act, 2013.

c) **Shares of the Company held by holding company**

	As at March 31, 2024	As at March 31, 2023
Equity Shares		
Raymond Limited, India and its nominees	5,24,43,948	5,24,43,948
Preference Shares		
Raymond Limited, India	50,00,000	-

d) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares				
Raymond Limited, India and its nominees	5,24,43,948	100%	5,24,43,948	100%
Preference Shares				
Raymond Limited, India	50,00,000	100%	-	-

e) **During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash, except for the following:**
The Company during the year ended March 31, 2022 carried out split of its equity shares from 17,000,000 number of equity shares of face value of Rs. 10 each to 85,000,000 number of equity shares of Rs. 10 each and further, the Company issued 8,740,658 number of bonus shares by capitalising a sum of Rs. 174.81 lakhs out of the reserves of the Company.

f) Disclosure of Shareholding of Promoters
All the equity shares of the Company are held by its promoter, Raymond Limited, and there is no change in such shareholding. Further, the preference shares issued during the year are entirely held by the promoter, Raymond Limited. Since there is no change in shareholding at the end of each year referred to in 13 d) above, no separate disclosure is required in respect of "Disclosure of Shareholding of Promoters".

Note 14: Other Equity

	Reserves and surplus							Total Other Equity attributable to owners of parent	Non-controlling interests	Total
	Securities Premium	Capital Reserve	Employee Stock Options Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Equity component of compound financial instruments	Retained Earnings			
Balance as at April 01, 2022	139.69	2,859.91	144.46	2,200.00	-	-	15,025.37	20,369.43	1,473.91	21,843.34
Profit for the year	-	-	-	-	-	-	6,760.91	6,760.91	424.39	7,185.30
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	50.24	50.24	1.12	51.36
Total comprehensive income for the year	-	-	-	-	-	-	6,811.15	6,811.15	425.51	7,236.66
Employee Stock Option Plan Expenses	-	-	38.26	-	-	-	-	38.26	4.70	42.96
Balance as at March 31, 2023	139.69	2,859.91	182.72	2,200.00	-	-	21,836.52	27,218.84	1,904.12	29,122.96
Profit for the year	-	-	-	-	-	-	4,126.65	4,126.65	556.11	4,682.76
Other comprehensive income / (loss) for the year	-	-	-	-	-	-	51.99	51.99	(2.04)	49.95
Total comprehensive income for the year	-	-	-	-	-	-	4,178.64	4,178.64	554.07	4,732.71
Employee Stock Option Plan Expenses	-	-	17.36	-	-	-	-	17.36	2.13	19.49
Employee Stock Option Plan Reversal			(200.08)					(200.08)	(24.55)	(224.63)
Issue of NCRPS (Net of deferred tax of Rs. 1,066.56 lakhs)	-	0.05	-	-	-	3,171.38	-	3,171.43	-	3,171.43
Addition on account of business combination (Refer Note 45)	-	-	-	-	-	-	-	-	41,358.73	41,358.73
Transfer to / (From)	-	-	-	-	3,000.00	-	(3,000.00)	-	-	-
Balance as at March 31, 2024	139.69	2,859.96	-	2,200.00	3,000.00	3,171.38	23,015.16	34,386.19	43,794.50	78,180.69

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital Reserve was created on account of merger of Trinity India Limited with Ring Plus Aqua Limited pursuant to the Scheme of Amalgamation in the financial year 2012-13.

Employee Stock Options Reserve
The Employee Stock Options Reserve is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 46).

Capital Redemption Reserve
Capital Redemption Reserve is created on redemption of NCCPS and it is non-distributable reserve.

Debenture Redemption Reserve
Debenture redemption reserve has been created as required by the provisions of Companies Act, 2013, read with the related rules

The details of movement in debenture redemption reserve during the year is as below:

Debenture Redemption Reserve (refer note 15)	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	-
Transfer to Debeture redemption reserve from Retained Earnings	3,000.00	-
Balance at the end of the year	3,000.00	-

Equity component of compound financial instruments
Represents equity component of 0.01% NCRPS (Refer note 15)

33

Note 15: Non current borrowings

	Maturity date	Terms of repayment	Interest Rate	As at March 31, 2024	As at March 31, 2023
Secured					
(a) Debentures					
30,00,000 (March 31, 2023: Nil) Non-convertible Debentures of Rs 1,000 each Secured by first pari passu charge by the way of hypothecation of the entire movable and immovable fixed assets and Second pari passu charge on current assets, both present and future of the Company, RPAL and JK Talabot.	March 7, 2031	Quarterly repayments as per schedule	9.85%	30,000.00	-
Total (a)				**30,000.00**	**-**
(b) Term Loans from Banks					
Term loans from banks (Secured by way of first pari passu charge on movable assets and current assets and an extension of the charge on immovable assets of the MPPL and backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the MPPL.)	November 20, 2024	Repayable in 66 months in equal monthly instalments	9.15% to 9.50%	352.57	-
	August 19, 2029	Repayable in 66 months in equal monthly instalments	8.63% to 8.83%	669.82	-
	December 26, 2029	Repayable in 66 months in equal monthly instalments	8.71% to 8.83%	818.60	-
	November 27, 2025	Repayable in 54 months in equal monthly instalments	8.80% to 9.75%	605.15	-
	November 27, 2025	Repayable in 54 months in equal monthly instalments	9.45% to 9.85%	479.60	-
Term loans from banks under ECLG scheme (Borrowings are secured by way of first pari passu charge on movable assets and current assets and an extension of the charge on immovable assets of the MPPL and guaranteed by National Credit Guarantee Trustee Company Limited (Ministry of Finance, Government of India) and also backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Maini, Director of the MPPL.)	June 30, 2026	Repayable in 48 months in equal monthly instalments	9.25% to 9.50%	1,139.58	
	March 17, 2026	Repayable in 60 months in equal monthly instalments	9.00%	653.85	
	February 19, 2026	Repayable in 48 months in equal monthly instalments	9.00%	320.83	-
Total (b)				**5,040.00**	**-**
(c) Vehicle loans					
Vehicle loans from bank (Secured by hypothecation of vehicle of the MPPL financed by such borrowings.)	November 5, 2027	Repayable in 60 months in equated monthly instalments	7.00% to 9.00%	86.77	-
Total (c)				**86.77**	**-**
(d) Term loan from an NBFC					
Secured by way of first pari passu charge on movable assets and current assets and an extension of the charge on immovable assets of the MPPL and backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the MPPL.	April 30, 2027	Repayable in 48 months in equal monthly instalments	10.00%	888.43	-
Total (d)				**888.43**	**-**
Total (A = a + b + c + d)				**36,015.20**	**-**
Unsecured loan from a related party (Refer Note 40)		Repayable in March 2029	9.85%	22,500.00	-
Liability component of compound financial instruments (Refer Note 1 below) 50,00,000 Non-Cumulative 0.01% Redeemable Preference Shares of Rs.100 each [March 31, 2023: Nil]				764.64	-
Total (B)				**23,264.64**	**-**
Total (A+B)				59,279.84	-
Less: Current maturity of long term borrowings (included in Note 16)				(5,620.14)	-
Total				**53,659.70**	**-**
Less: Interest accrued but not due on borrowings (included in Note 18)				**(44.01)**	-
Total				**53,615.69**	**-**

Note 1 - The Company had issued 50,00,000 (March 31, 2023: Nil) 0.01% Non-convertible Redeemable Preference Shares ("NCRPS") of Rs.100 each. The Preference Shares are Reedeemable within twenty years at the option of the Company. The same has been presented in the balance sheet as follows:

Particualrs	As at March 31, 2024	As at March 31, 2023
Face value of Non-Convertible Redeemable Preference Shares ("NCRPS")	5,000.00	-
Equity component of Non-Convertible Redeemable Preference Shares ("NCRPS") #	4,237.94	-
Liability component of Non-Convertible Redeemable Preference Shares ("NCRPS")	762.06	-
Interest expense *	2.58	-
Interest paid	-	-
Non-current borrowings	764.64	-

* Interest expense is calculated by applying the effective interest rate of 9.50% to the liability component.
\# The equity component of Non-Convertible Redeemable Preference Shares has been presented under other equity net of deferred tax of Rs 1,066.56 lakhs.

Note 2 - The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 34 - Assets pledged as security.

Note 3 - In respect of borrowings made from Banks on the basis of security of current assets, quarterly revised returns or statements of current assets filed by the Company and its subsidiaries with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

Note 4 - The above borrowings have been utilized by the Group for the purpose for which they have been obtained.

(All amounts are in Rs. Lakhs, unless stated otherwise)

35

Note 16: Current borrowings

	Terms of repayment	Interest Rate	As at March 31, 2024	As at March 31, 2023
Loans repayable on demand				
Secured				
From banks				
- Cash credit	Repayable on demand	8.00% -10.25%	1,800.93	-
- Packing credit				
-In Indian Currency	Single repayment at end of term	4.90% - 8.20%	1,095.37	501.90
-In Foreign Currency	Single repayment at end of term	5.36 % - 7.69 %	19,728.00	-
- Buyers Credit Loan - (In Foreign currency)	Single repayment at end of term	0.90% to 4.11%	-	724.43
(The above borrowings are secured by way of first pari passu charge on all current assets of the respective companies to whom above facilities has been granted. Further, the borrowings of MPPL are secured by charge on movable assets and current assets and an extension of the charge on immovable assets of the MPPL and backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the MPPL.)				
Unsecured				
-Reverse factoring arrangements	Single repayment at end of term	6.00% to 9.00%	3,868.48	-
From Financial Institutions				
-Channel Financing (Refer Note iv below)	Repayable on demand	-	126.40	235.27
Current maturities of Long-term borrowing (included in Note 15)			5,620.14	-
Total current borrowings			**32,239.32**	**1,461.60**
Less: Interest accrued but not due on borrowings (included in Note 18)			(52.16)	(6.73)
Total			**32,187.16**	**1,454.87**

(i) The carrying amounts of financial and non-financial assets pledged as security for secured borrowings are disclosed in Note 34 - Assets pledged as security.

(ii) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of all the years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the respective companies for the purpose for which they have been obtained.

(iv) The Group has availed Channel Financing arrangement for its customers from a financial institution, for which it has provided a first loss default guarantee. As per the terms of this facility, should the customers default in making payment, the contractual first loss default guarantee of 15% will be invoked on the Group by the financial institution.

Net debt reconciliation	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	(2,557.12)	(1,036.20)
Current borrowings	32,187.16	1,454.87
Non current borrowings	53,615.69	-
Interest accrued but not due on borrowings	96.17	6.73
Lease liabilities	3,446.18	1,428.09
Net debt	**86,788.08**	**1,853.49**

	Cash and Cash equivalents	Lease liabilities	Non current borrowings (Including interest accrued)	Current borrowings (including interest accrued and current maturities of long term borrowings)	Total
Net Debt as at April 01, 2022	**(807.88)**	**1,551.99**	-	**1,754.93**	**2,499.04**
Cash flows	(228.32)	(162.41)	-	(297.22)	(687.95)
Other non-cash movements:					
- Acquisitions / Disposals	-	38.51	-	-	38.51
Interest expense	-	149.21	-	86.49	235.70
Interest paid	-	(149.21)	-	(82.60)	(231.81)
Net Debt as at March 31, 2023	**(1,036.20)**	**1,428.09**	-	**1,461.60**	**1,853.49**
Cash flows	118.90	(185.18)	57,500.00	765.20	58,198.92
Other non-cash movements:					
-Recognition of equity component of compound financial instruments (issue of NCRPS)	-	-	(4,232.77)	-	(4,232.77)
- Addition pursuant to business combination (Refer Note 45)	(1,639.82)	2,203.27	3,515.05	26,896.91	30,975.41
-Reclassification of current maturities	-	-	(3,120.00)	3,120.00	-
-Unwinding of Interest on compound financial instruments	-	-	(2.58)	-	(2.58)
Interest expense	-	136.02	322.96	183.77	642.75
Interest paid	-	(136.02)	(322.96)	(188.16)	(647.14)
Net Debt as at March 31, 2024	**(2,557.12)**	**3,446.18**	**53,659.70**	**32,239.32**	**86,788.08**

Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

36

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 17: Trade payables

	As at March 31, 2024	As at March 31, 2023
Trade payables		
- Micro and small enterprises	1,597.16	445.50
- Others	25,399.35	11,440.98
Total	**26,996.51**	**11,886.48**

Note:

Trade Payable ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
(i) MSME	22.10	1,185.98	389.08	-	-	-	1,597.16
(ii) Others	5,033.13	9,074.45	11,003.02	138.31	50.41	100.03	25,399.35
As at March 31, 2024	**5,055.23**	**10,260.43**	**11,392.10**	**138.31**	**50.41**	**100.03**	**26,996.51**
(i) MSME	-	445.50	-	-	-	-	445.50
(ii) Others	1,584.65	5,730.90	4,019.90	36.34	24.55	44.64	11,440.98
As at March 31, 2023	**1,584.65**	**6,176.40**	**4,019.90**	**36.34**	**24.55**	**44.64**	**11,886.48**

There are no disputed trade payables.

(All amounts are in Rs. Lakhs, unless stated otherwise)

37

Note 18: Other financial liabilities

	As at March 31, 2024	As at March 31, 2023
Unclaimed dividends (Refer Note below)	3.44	3.44
Interest accrued but not due on borrowings	96.17	6.73
Capital creditors	393.98	93.83
Deposits from dealers, agents etc.	568.29	557.37
Employee benefits payable	3,355.11	1,920.22
Derivative financial instruments (Refer Note 37)	3.70	76.04
Other payables	143.67	50.61
Total	**4,564.36**	**2,708.24**

Note:
There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Note 19: Provisions

	As at March 31, 2024	As at March 31, 2023
Non-Current		
Provision for employee benefits (Refer note 31)		
-Gratuity	2,664.14	-
Total	**2,664.14**	**-**

	As at March 31, 2024	As at March 31, 2023
Current		
Provision for employee benefits (Refer note 31)		
-Gratuity	633.21	466.79
-Compensated absences	979.38	533.11
Provision for warranties	42.69	-
Total	**1,655.28**	**999.90**

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next 12 months period. Assumptions used to calculate the provision for warranties are current sales level and past level of repairs and returns. The movement in provision is as below.

Movement during the year - Provision for Warranties

	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Addition pursuant to business combination (Refer Note 45)	42.69	-
Closing balance	**42.69**	**-**

Note 20: Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Contract liabilities *	512.06	767.42
Advance received #	550.00	131.52
Statutory dues payable	904.43	226.21
Refund liabilities	37.23	108.98
Stamp duty payable	28.00	177.80
Other payables	208.81	56.25
Total	**2,240.53**	**1,468.18**

Advance received against sale of building and rights in leasehold land. Since the assets against which such advance has been received do not meet the definition of "Asset held for sale" as per the requirements of Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations", the same has been classified under Property, Plant and Equipment and Right of use assets, respectively, as at March 31, 2024.

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 21: Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	34,716.93	31,981.70
(ii) Manufactured goods - Export	40,791.54	42,823.94
(iii) Stock-in trade- Domestic	5,557.35	6,198.80
(iv) Stock-in trade- Export	535.00	737.38
Total (A)	**81,600.82**	**81,741.82**
Sale of Services - recognised over a period of time	148.11	409.39
Total (B)	**148.11**	**409.39**
Revenue from contracts with customers (A+B) (C)	**81,748.93**	**82,151.21**
Other operating revenue		
(i) Export Incentives	912.34	909.83
(ii) Process waste sale	3,032.35	3,328.82
(iii) Others	358.21	18.03
Total (D)	**4,302.90**	**4,256.68**
Total (C + D)	**86,051.83**	**86,407.89**

Notes:

(i) Disaggregation of revenue from contracts with customers:

The Group derives revenue from the transfer of goods and services in the following geographical regions:

	Year ended March 31, 2024	Year ended March 31, 2023
India	40,274.28	38,180.50
Africa	5,702.40	7,620.04
America	14,593.69	16,556.48
Asia (excluding India)	5,375.38	6,933.63
Europe	15,795.83	12,833.72
Australia	7.35	26.84
Revenue from contracts with customers	**81,748.93**	**82,151.21**

The Group derives revenue from the transfer of following goods and services:

	Year ended March 31, 2024	Year ended March 31, 2023
Tools & Hardware		
Files	22,696.38	26,469.48
Drills	11,411.78	11,712.93
Hand tools and power tool accessories	4,438.11	5,366.28
Power tool machines	1,650.18	1,560.97
Others	1,729.19	2,168.15
	41,925.64	47,277.81
Auto Components		
Ring Gears	27,277.86	25,271.94
Flexplates	4,729.33	2,818.74
Water Pump Bearings	7,544.27	6,221.80
Others	123.72	151.53
	39,675.18	34,464.01
Sale of Products (A)	**81,600.82**	**81,741.82**
Sale of Services (B)	148.11	409.39
Revenue from contracts with customers (A + B)	**81,748.93**	**82,151.21**

(ii) Unsatisfied performance obligations resulting from revenue from contracts with customers

	Year ended March 31, 2024	Year ended March 31, 2023
Aggregate amount of the transaction price allocated to sale contracts that are partially or fully unsatisfied	22.39	3.96
	22.39	**3.96**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited

(All amounts are in Rs. Lakhs, unless stated otherwise)

39

(iii) Reconciliation of revenue recognised with contract price:

	Year ended March 31, 2024	Year ended March 31, 2023
Contract price	**84,422.99**	**84,706.71**
Adjustments for :		
Refund liabilities - discounts, rebates, sales related schemes, incentives etc.	(2,674.06)	(2,555.50)
Total	**81,748.93**	**82,151.21**

Note 22: Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
- on financial assets at amortised cost	58.60	67.76
- on income tax / sales tax refund	2.10	24.50
Dividend Income	-	0.04
Net gain on foreign exchange fluctuations	267.20	42.30
Net gain on disposal/discard of property, plant and equipment	148.84	-
Net gain on sale / fair valuation of investments through Profit or loss	702.33	179.10
Compensation from Job worker	46.72	-
Gain on termination of lease	-	1.13
Miscellaneous Income	94.56	474.52
Total	**1,320.35**	**789.35**

Note 23: Cost of raw materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
Raw material at the beginning of the year	2,721.13	3,393.15
Purchases	29,998.79	27,358.61
Addition pursuant to business combination (Refer Note 45)	6,483.73	-
Less : Raw material at the end of the year	9,810.64	2,721.13
Total	**29,393.01**	**28,030.63**

Note 24: Purchases of Stock-in-Trade

	Year ended March 31, 2024	Year ended March 31, 2023
Purchases of stock-in-trade	5,018.09	5,264.83
Total	5,018.09	5,264.83

Note 25: Changes in inventories of work-in-progress , finished goods and stock-in-trade

	Year ended March 31, 2024	Year ended March 31, 2023
Opening inventories		
Work-in-progress	2,771.96	2,929.31
Finished goods	4,741.32	5,712.34
Stock-in-trade	1,123.89	1,358.47
	8,637.17	**10,000.12**
Adjustment pursuant to common control business combinations (Refer Note 45)		
Work-in-progress	6,267.34	-
Finished goods	10,850.91	-
Stock-in-trade	-	-
	17,118.25	-
Closing inventories		
Work-in-progress	8,920.54	2,771.96
Finished goods	15,833.03	4,741.32
Stock-in-trade	1,304.05	1,123.89
	26,057.62	**8,637.17**
Total	**(302.20)**	**1,362.95**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK FILES & ENGINEERING LIMITED

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 26: Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus, etc	9,086.25	9,125.74
Gratuity expense (Refer note 31)	202.03	232.97
Contribution to provident and other funds (Refer note 31)	453.94	493.97
Employee Stock Option Plan Expenses / (reversal)	(205.16)	42.96
Workmen and staff welfare expenses	592.11	620.57
Total	**10,129.17**	**10,516.21**

Note 27: Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense		
- Non Current Borrowings	322.96	-
- Lease obligations	136.02	149.21
- Current borrowings	183.77	86.49
- Shortfall of advance tax	-	11.00
- Others	37.84	31.13
Unwinding of interest on liability component of compound financial instrument	2.58	-
Other borrowing costs	155.26	-
Exchange difference regarded as adjustment to the borrowing cost	-	21.59
Total	**838.43**	**299.42**

Note 28: Depreciation and amortization expense

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	1,738.52	1,584.89
Depreciation on right-of-use assets	201.17	204.48
Amortization of intangible assets	3.46	0.69
Total	**1,943.15**	**1,790.06**

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 29: Other Expenses

Note-29 (a): Manufacturing and Operating expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spare parts	6,324.34	6,369.75
Power and fuel	3,536.46	3,702.57
Job work charges	6,672.60	5,675.94
Payment to labour contractor	4,404.23	3,690.25
Repairs to buildings	125.81	136.62
Repairs to machinery	435.43	484.00
Other Manufacturing and Operating expenses	589.12	463.39
Total (A)	**22,087.99**	**20,522.52**

Note 29 (b): Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Rent	233.64	221.54
Insurance	285.09	294.66
Repairs and Maintenance - Others	107.71	111.16
Rates and taxes	214.11	58.66
Commission to selling agents	923.32	877.34
Freight expenses	2,728.50	4,061.74
Legal and professional expenses	633.79	475.47
IT outsourced support services	274.30	188.87
Travelling and conveyance	617.02	546.03
Advertisement and Sales Promotion expenses	430.03	286.27
Directors Sitting fees & Commission	89.00	76.95
Net loss on disposal/discard of property, plant and equipment	5.61	25.81
Facility Charges (Refer note 40)	835.77	847.00
Net loss on foreign exchange fluctuations	0.14	133.66
Corporate Social Responsibility	186.00	148.00
Bad debts, deposits and advances written off	0.50	14.66
Less: Loss allowances there against	-	(14.66)
Loss allowance against trade receivables	(0.43)	-
Software expenses	93.08	70.10
Security charges	219.97	219.82
Communication expenses	50.00	49.43
Printing and stationery expenses	31.33	34.92
Motor car expenses	32.11	50.90
Miscellaneous expenses	788.30	682.25
Total (B)	**8,778.89**	**9,460.58**
Total (A + B)	**30,866.88**	**29,983.10**

42

Note 30(a): Income Taxes

Tax expense recognised in the Consolidated Statement of Profit and Loss

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current year	1,872.87	2,430.14
Adjustments for prior periods	-	(7.04)
Total current tax	**1,872.87**	**2,423.10**
Deferred tax		
Increase in deferred tax assets (net)	(22.00)	(10.39)
Decrease in deferred tax liabilities (net)	(471.65)	(6.07)
Total deferred tax	**(493.65)**	**(16.46)**
Total tax expense	**1,379.22**	**2,406.64**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Group is as follows :

Reconciliation of effective tax rate	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	6,061.98	9,591.94
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	1,525.68	2,414.10
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income	61.97	40.02
Adjustment for differential Tax inrespect of Capital Gain	-	(6.65)
Capital Gain set-off against brought forward losses	(166.91)	(30.23)
Others	(41.52)	(3.56)
Total income tax expense	**1,379.22**	**2,406.64**

Consequent to reconciliation items shown above, the effective tax rate is 22.75% (2022-23: 25.09%)

Tax expense recognised in Total Other Comprehensie Income

Current tax	(31.66)	(12.60)
Deferred tax	14.87	(4.68)
Total tax expense	**(16.79)**	**(17.28)**

Note 30(b): Income tax assets (net) - non-current

	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provision of Rs. 10,749.95 lakhs (March 31, 2023: Rs. 7,455.36 lakhs)	1,105.47	346.30
	1105.47	**346.30**

Note 30(c): Income tax assets (net) - current

	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provision of Rs. 1,086.63 lakhs (March 31, 2023: Rs. Nil))	132.33	-
	132.33	-

Note 30(d): Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (net of taxes paid of Rs. 2,305.74 lakhs (March 31, 2023: Rs. 752.84 lakhs)	286.04	15.61
	286.04	**15.61**

(All amounts are in Rs. Lakhs, unless stated otherwise)

43

Note 30(e): Deferred tax

Deferred tax assets (net)

Movement during the year ended March 31, 2023 and March 31, 2024

Particulars	As at April 01, 2022	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2023	(Credit)/charge in Other Comprehensive Income	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2024
Deferred tax assets on account of :							
Amounts allowable for tax purpose on payment basis	21.45	(4.68)	5.23	22.00	14.87	(10.12)	26.75
Unabsorbed depreciation and unused tax losses	-	-	6.55	6.55	-	33.38	39.93
	21.45	**(4.68)**	**11.78**	**28.55**	**14.87**	**23.26**	**66.68**
Deferred tax (liabilities) on account of:							
Property plant and equipment and intangible assets	(26.52)	-	(1.39)	(27.91)	-	(1.26)	(29.17)
	(26.52)	-	**(1.39)**	**(27.91)**	-	**(1.26)**	**(29.17)**
Deferred tax assets (net)	**(5.07)**	**(4.68)**	**10.39**	**0.64**	**14.87**	**22.00**	**37.51**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

44

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 30(e): Deferred tax

Deferred tax liabilities (net)

Movement during the year ended March 31, 2023 and March 31, 2024

Particulars	As at April 01, 2022	Credit/(charge) in Statement of Profit and Loss	As at March 31, 2023	(Credit)/charge in Other Equity	Credit/(charge) in Statement of Profit and Loss	Addition pursuant to business combination (Refer Note 45)	As at March 31, 2024
Deferred tax assets on account of :							
Allowances for doubtful receivable and advances	211.82	(20.86)	190.96	-	123.06	58.17	372.19
Amount paid under voluntary retirement scheme	1.46	(1.46)	-	-	358.80	-	358.80
Amounts allowable for tax purpose on payment basis	240.08	14.96	255.04	-	(56.35)	938.79	1,137.48
Lease Liabilities	390.65	(31.18)	359.47	-	(46.64)	554.52	867.35
Other	-	-	-	-	-	58.19	58.19
	844.01	**(38.54)**	**805.47**	-	**378.87**	**1,609.67**	**2,794.01**
Deferred tax (liabilities) on account of:							
Property plant and equipment and intangible assets	(884.67)	6.46	(878.21)	-	43.08	(20,117.74)	(20,952.87)
Right-of-use Assets	(288.45)	38.15	(250.30)	-	49.05	(404.02)	(605.27)
Equity component of compound financial instruments	-	-	-	(1,066.56)	-	-	(1,066.56)
Unwinding of interest on preference shares	-	-	-	-	0.65	-	0.65
	(1,173.12)	**44.61**	**(1,128.51)**	**(1,066.56)**	**92.78**	**(20,521.76)**	**(22,624.05)**
Deferred tax liabilities (net)	**(329.11)**	**6.07**	**(323.04)**	**(1,066.56)**	**471.65**	**(18,912.09)**	**(19,830.04)**

Notes:
(i) The Group has not recognised deferred tax liability in respect of taxable temporary difference associated with its investment in the subsidiaries arising on account of the undistributed profits of the subsidiaries amounting to Rs. 15,964.19 lakhs (March 31, 2023: Rs. 11,458.74 lakhs). The Group believes that it is able to control the timing of reversal of the such taxable temporary differences arising on account of undistributed profits of the subsidiaries and it is probable that such temporary differences will not reverse in the foreseeable future.

(ii) Deferred tax on carried forward unabsorbed capital losses as detailed below has not been considered for recognition of deferred tax asset, as their is no certainty around availability of sufficient future taxable capital gains to offset such capital losses.

Assessment Year (A.Y.)	Nature of Loss	Amount	Loss Carried forward for upto A.Y.
2016-17	Capital Loss	441.47	2024-25
2023-24	Business Loss	26.04	2031-32

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 31: Post retirement benefit plans
(i) Defined benefit plans - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service, subject to ceiling of Rs. 20.00 lakhs. The gratuity plan is funded plan and the Group makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	(6,915.98)	(3,302.73)
Fair value of plan assets	3,618.63	2,835.94
Net defined benefit obligation	**(3,297.35)**	**(466.79)**

B. Movements in plan assets and plan liabilities

	As at March 31, 2024			As at March 31, 2023		
	Present value of obligation	**Fair value of plan assets**	**Net**	**Present value of obligation**	**Fair value of plan assets**	**Net**
As at beginning of the year	**(3,302.73)**	**2,835.94**	**(466.79)**	**(3,729.77)**	**3,063.21**	**(666.56)**
Plan Assets - Recognised #	-	6.67	6.67	-	-	-
Current service cost (including past service cost)	(167.81)	-	(167.81)	(185.08)	-	(185.08)
Interest (cost) / income	(245.86)	211.64	(34.22)	(261.20)	215.02	(46.18)
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	8.72	8.72	-	(36.79)	(36.79)
Gain/(loss) arising from changes in financial assumptions	(51.87)	-	(51.87)	91.91	-	91.91
Gain/(loss) arising from experience adjustments	109.89	-	109.89	13.52	-	13.52
Employer contributions	-	162.20	162.20	-	360.60	360.60
Benefit payments	747.07	(747.07)	-	764.39	(764.39)	-
Benefit paid directly by the Employer	-	-	-	3.50	-	3.50
Addition pursuant to business combination (Refer Note 45)	(4,004.67)	1,140.53	(2,864.14)	-	-	-
	(6,915.98)	**3,618.63**	**(3,297.35)**	**(3,302.73)**	**2,837.65**	**(465.08)**
Plan Assets - Not Recognised *	-	-	-	-	(1.71)	(1.71)
As at end of the year	**(6,915.98)**	**3,618.63**	**(3,297.35)**	**(3,302.73)**	**2,835.94**	**(466.79)**

Surplus of assets over liabilities in JK Talabot Limited ('subsidiary company) of Rs. 6.67 lakhs has been recognised in books of acocunts.
*During the previous year, surplus of assets over liabilities in JK Talabot Limited ('subsidiary company) of Rs. 1.71 lakhs netted above has not been recognised on the basis that future economic benefits are not available to the subsidiary company in the form of a reduction in future contributions or cash refunds.

The present value of obligation at each balance sheet date above relates to active employees.

C. The Group expects to contribute Rs. 434.57 lakhs to the funded plans in financial year 2024-25 (2023-24: Rs. 265.49 lakhs) for gratuity

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

96

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

D. Statement of Profit and Loss

	Year ended March 31, 2024	Year ended March 31, 2023
Employee Benefit Expenses:		
Current service cost (including past service cost)	167.81	185.08
	167.81	**185.08**
Interest Cost (net of interest earned)	34.22	46.18
Surplus of assets over liabilities in subsidiary company not recognised	-	1.71
Net impact on the Profit before tax	**202.03**	**232.97**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	8.72	(36.79)
Gains/(losses) arising from changes in financial assumptions	(51.87)	91.91
Gains/(losses) arising from experience adjustments	109.89	13.52
Net impact on the Other Comprehensive Income before tax	**66.74**	**68.64**

E. Assets

	As at March 31, 2024	As at March 31, 2023
Insurer managed fund	3,618.63	2,837.65
Total	**3,618.63**	**2,837.65**

F. Significant Estimate: Actuarial assumptions

	As at March 31, 2024	As at March 31, 2023
Financial assumptions		
Discount rate	7.15% ~ 7.21%	7.44% ~ 7.50%
Salary growth rate	7.00% - 8.00%	7.50%
Attrition rate - with respect to Ring Plus Aqua Limited	For Workers 2% For Staff 5% to 15%	For Workers 2% For Staff 15%, 10% & 5%
Attrition rate - with respect to Maini Precision Products Limited, based on completed year of service	Less than 5 years 31% 5 or more years 3%	-
Attrition rate - with respect to other entities of group	2.00%	2.00%
Return on plan assets	7.15% - 7.21%	7.44% ~ 7.50%

Demographic assumptions
Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban) Table

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

JK Files & Engineering Limited

G. Significant Estimate: Sensitivity of actuarial assumptions

The sensitivity of the net defined benefit obligation to changes in the weighted key assumptions is:

		As at March 31, 2024		As at March 31, 2023	
	Change in assumption	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation	Increase in assumption having an impact on present value of plan obligation	Decrease in assumption having an impact on present value of plan obligation
Discount rate	1%	(582.75)	679.85	(207.62)	237.06
Salary growth rate	1%	590.53	(554.58)	231.06	(207.53)
Attrition rate (except for MPPL)	1%	(4.95)	5.50	(1.36)	1.43
Attrition rate (for MPPL)	50%	(58.46)	75.09	N.A.	N.A.

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

The weighted average duration of the defined benefit obligation is 7 to 20 years (31 March, 2023 : 7 to 20 years).

H. The defined benefit obligations shall mature after year end March 31, 2024 and March 31, 2023 as follows:

Gratuity :	Defined benefit obligation As at March 31, 2024	As at March 31, 2023
1st year	493.64	264.03
2nd year	391.57	248.26
3rd year	605.11	335.16
4th year	547.65	411.42
5th year	661.53	355.21
Thereafter	12,390.65	4,002.71

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(ii) Defined contribution plans :

The Group also has certain defined contribution plans. Contributions are made to provident fund, employees state insurance scheme for employees .The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the Year towards defined contribution plan is Rs. 453.94 lakhs (March 31, 2023 - Rs.493.97 lakhs).

(iii) Compensated absences:

The provision for compensated absencescover the Group's liability for sick and earned leave, which are classified as other long term benefits and which are actuarially valued at each year end by applying the assumptions referred in (i)(F) above.

The entire amount of the provision of Rs. 979.38 lakhs (March 31, 2023 - Rs. 533.11 lakhs) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 32: Social security code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 33: Earnings per share

		Year ended March 31, 2024	Year ended March 31, 2023
Basic earnings per share has been computed as under:			
Profit for the year attributable to owners of the parent	A	4,126.65	6,760.91
Weighted average number of equity shares outstanding (in nos.)		5,24,43,948	5,24,43,948
Weighted average number of equity shares for basic EPS	B	5,24,43,948	5,24,43,948
Earnings per share (Rs.)	A/B	7.87	12.89
Diluted earnings per share has been computed as under:			
Profit for the year attributable owners of the parent	C	4,126.65	6,760.91
Weighted average number of equity shares outstanding for basic EPS (in nos.)	D	5,24,43,948	5,24,43,948
Dilutive Earnings Per Share (Rs.)	C/D	7.87	12.89
Nominal value per equity share (in Rs.)		2.00	2.00

Note 34: Assets pledged as security

The carrying amounts of assets pledged as security are:

	As at March 31, 2024	As at March 31, 2023
Current assets		
Floating Charge		
Trade receivables	33,612.54	11,419.25
Inventories	37,951.94	11,959.20
Cash and cash equivalents	2,545.82	170.55
Bank balances other than above	3.50	-
Loans	40.43	-
Other financial asset	472.23	705.38
Other current assets	8,524.53	1,479.10
Total Current assets given as security	**83,150.99**	**25,733.48**
Non-current assets		
Fixed Charge		
Property, Plant and Equipment	36,812.62	-
Right of use assets	210.92	-
Capital work - in - progress	173.05	-
Intangible asset	123.91	-
Intangible asset under development	78.25	-
Total non-current assets pledged as security	**37,398.75**	-
Total assets pledged as security	**1,20,549.74**	**25,733.48**

The Group is in the process of executing the deed of mortgage in respect of immovable properties provided as security.

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 35: Contingent liabilities

Contingent Liabilities	**As at March 31, 2024**	**As at March 31, 2023**
(i) Claims against the Group not acknowledged as debts in respect of:		
Income tax matters	556.69	116.95
Sales tax matters	25.60	24.07
Excise matters	618.96	26.38
Service tax matters	248.50	-
Goods and Service Tax Matters	74.84	-
Other matters *	130.05	130.05
Total	**1,654.64**	**297.45**

* Amount pertains to various labour related matters.

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Group believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Group will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Group does not expect any reimbursements in respect of the above contingent liabilities except for certain matters as per the terms of Shareholders' Agreement dated November 03, 2023 relating to Maini Precision Products Limited, refer note 45.

Note 36: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the each period but not recognised as liabilities is as follows:

	As at March 31, 2024	**As at March 31, 2023**
Property, plant and equipment (net of capital advances)	**4,525.95**	**635.17**

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 37: Fair Value measurements

Financial instruments by category

	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments	9.53	-	7,492.75	-
Loans	-	142.77	-	-
Derivative financial instruments	214.62	-	3.04	
Other Financial Assets	-	1,111.72	-	1,160.59
Trade receivable	-	33,612.54	-	11,419.24
Cash and Cash equivalents	-	2,557.12	-	1,036.20
Bank Balance other than above	-	18.50	-	18.50
	224.15	37,442.65	7,495.79	13,634.53
Financial Liabilities				
Borrowings	-	85,802.85	-	1,454.87
Derivative financial instruments	3.70	-	76.04	-
Other Financial Liabilities	-	4,560.66	-	2,632.20
Trade Payables	-	26,996.51	-	445.50
	3.70	1,17,360.02	76.04	4,532.57

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments	-	-	9.53	7,484.14	-	8.61
Derivative financial instruments	-	214.62	-	-	3.04	-
Total financial assets	-	214.62	9.53	7,484.14	3.04	8.61
Financial Liabilities						
Derivative financial instruments	-	3.70	-	-	76.04	-
Total financial liabilities	-	3.70	-	-	76.04	-

Financial Instruments by category

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other bank balances, other current financial asset (other than derivatives), current loans, trade payable, current borrowings and other current financial liabilities (other than derivatives) approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

4. All borrowings of the Group carry variable rate of interest and hence, the fair value of such instruments is equivalent to their carrying amounts.

5. With respect to non current security deposits which are interest bearing as these are driven by market driven rate of interest, the fair value are considered to be equivalent to its carrying value. With respect to other non current deposits and interest free loan, considering the amounts involved are not significant, accordingly fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of quoted market prices for quoted shares and mutual funds
- the quoted market prices in active markets for identical investments
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.

57

Note 38: Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Group financial risk management is set by the Working Board comprising of CEO, CFO and various head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the related impact in the financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, the Group performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year.

Exposure to interest rate risk

Particulars	As at March 31, 2024	As at March 31, 2023
Total borrowings (non-current and current)	85,802.85	1,454.87
Borrowings bearing variable rate of interest	85,038.19	730.44
% of Borrowings bearing variable rate of interest	99%	50%

Interest rate sensitivity
A change of 50 bps in interest rates would have following impact on profit before tax

	Year ended March 31, 2024	Year ended March 31, 2023
50 bp increase would decrease the profit before tax by	425.19	3.65
50 bp decrease would Increase the profit before tax by	(425.19)	(3.65)

b) Foreign Currency risk

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by foreign exchange forward contracts in the respective currencies.

Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2024																
	USD (in Lakhs)	In Rs	EUR (in Lakhs.)	In Rs	GBP (in Lakhs.)	In Rs	CAD (in Lakhs.)	In Rs.	YEN (in Lakhs.)	In Rs.	SEK (in Lakhs.)	In Rs	REAIS (in Lakhs.)	In Rs	SGD (in Lakhs.)	In Rs	Total (In Rs.)
Trade Receivable	163.65	13,647.93	108.81	9,814.33	0.09	9.06	0.33	20.37	-	-	-	-	-	-	-	-	23,491.69
Offset by Derivatives : Foreign Exchange Forwards Contracts	(85.25)	(7,117.52)	(102.21)	(9,218.72)	-	-	-	-	-	-	-	-	-	-	-	-	(16,336.24)
Net exposure (To the extent of outstanding balance)	**78.40**	**6,530.41**	**6.60**	**595.61**	**0.09**	**9.06**	**0.33**	**20.37**	-	-	-	-			-	-	**7,155.45**
Balances with bank	**7.32**	**610.56**	**1.07**	**96.30**	-	-	-	-	-	-	-	-	-	-	-	-	**706.86**
Trade Payable	39.38	3,281.50	3.00	270.27	0.27	28.18	-	-	26.15	14.40	3.66	28.49	-	-	0.04	2.37	3,625.21
Offset by Derivatives : Foreign Exchange Forwards Contracts	(0.38)	(31.55)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(31.55)
Net exposure (To the extent of outstanding balance)	**39.00**	**3,249.95**	**3.00**	**270.27**	**0.27**	**28.18**	-	-	**26.15**	**14.40**	**3.66**	**28.49**			**0.04**	**2.37**	**3,593.66**
Packing Credit in Foreign Currency (including interest)	183.93	15,251.44	49.62	4,476.56	-	-	-	-	-	-	-	-	-	-	-	-	19,728.00
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**183.93**	**15,251.44**	**49.62**	**4,476.56**	-	-	-	-	-	-	-	-			-	-	**19,728.00**

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Particulars	As at March 31, 2023																
	USD (in Lakhs.)	In Rs	EUR (in Lakhs.)	In Rs	GBP (in Lakhs.)	In Rs	CAD (in Lakhs.)	In Rs.	YEN (in Lakhs.)	In Rs.	SEK (in Lakhs.)	In Rs	REAIS (in Lakhs.)	In Rs	SGD (in Lakhs.)	In Rs	Total (In Rs.)
Trade Receivable	45.89	3,773.00	33.54	3,019.32	0.10	10.14	-	-	-	-	-	-	-	-	-	-	6,802.46
Offset by Derivatives : Foreign Exchange Forwards Contracts	(23.10)	(1,903.90)	(20.90)	(1,764.57)	-	-	-	-	-	-	-	-	-	-	-	-	(3,668.47)
Net exposure (To the extent of outstanding balance)	**22.79**	**1,869.10**	**12.64**	**1,254.75**	**0.10**	**10.14**	-	-	-	-	-	-	-	-	-	-	**3,134.00**
Trade Payable	3.11	254.77	0.10	7.20	-	-	-	-	-	-	-	-	-	-	-	-	261.98
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	**3.11**	**254.77**	**0.10**	**7.20**	-	-	-	-	-	-	-	-	-	-	-	-	**261.98**
Buyers Credit	-	-	4.02	361.92	-	-	-	-	580.00	358.96	-	-	-	-	-	-	720.88
Offset by Derivatives : Foreign Exchange Forwards Contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net exposure (To the extent of outstanding balance)	-	-	**4.02**	**361.92**	-	-	-	-	**580.00**	**358.96**	-	-	-	-	-	-	**720.88**

Note: Transaction in other foreign currencies below rounding off norms adopted by the Group are not reported above.

Derivative outstanding as at the reporting date

(Foreign Currency in lakhs)

Foreign currency	As at March 31, 2024		As at March 31, 2023	
	Sell	Buy	Sell	Buy
Forward Contracts USD	94.04	0.38	23.10	-
Forward Contracts EURO	117.75	-	20.90	-

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity

A change of 5% in foreign currency would have following impact on profit before tax

	Year ended March 31, 2024		Year ended March 31, 2023	
	5% Increase	5% Increase	5% Increase	5% Decrease
USD	(568.02)	568.02	80.72	(80.72)
EURO	(202.75)	202.75	44.28	(44.28)
GBP	(0.96)	0.96	0.51	(0.51)
CAD	1.02	(1.02)	-	-
YEN	(0.72)	0.72	(17.95)	17.95
SEK	(1.42)	1.42	-	-
REAIS	-	-	-	-
SGD	(0.12)	0.12	-	-
Increase/Decrease in Profit or Loss	(772.97)	772.97	107.56	(107.56)

c) Price risk
Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Group invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity
The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	Year ended March 31, 2024	Year ended March 31, 2023
NAV - Increases by 1% *	-	74.84
NAV - Decreases by 1% *	-	(74.84)

The analysis below is based on the assumption that the index has increased by 10 % or decreased by 10 % with all other variables held constant, and that the Group's equity instrument moved in line with the index.

	Year ended March 31, 2024	Year ended March 31, 2023
BSE Sensex 50- Increase 10% *	0.06	-
BSE Sensex 50- Decrease 10% *	(0.06)	-

* Holding all other variables constant

53

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

B) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group.
The Group is exposed to credit risk from its operating activities (primarily trade receivables), deposit with banks, derivative financial instruments, investments, loan to employee and security deposits. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances
Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes bank deposits, loans and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. Considering the amounts involved are not significant, the expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing

Investments
The Group investment is limited as Group generally deals with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual.

i) Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2024	As at March 31, 2023
As at beginning of the year	399.45	604.96
Add / (Less) - Changes in loss allowances	23.94	(205.51)
Addition pursuant to business combination (Refer Note 45)	231.14	-
As at end of the year	654.53	399.45

Ageing	Expected credit loss % As at March 31, 2024	Expected credit loss % As at March 31, 2023
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	0% - 2%	0%
181-270 days	25% - 100%	100%
271-360 days	100%	100%
more than 360 days	100%	100%

54

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

C) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The Group has access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2024	As at March 31, 2023
Variable rate borrowing - cash credit (expires within 1 year)	11,725.86	11,550.40

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, these facilities may be drawn at any time in INR.

Maturities of financial liabilities

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

	As at March 31, 2024				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Non current borrowings (Including interest and current maturity of long term borrowing)	-	5,664.15	45,563.03	12,288.00	63,515.18
Current borrowings (including Interest Accrued)	5,995.81	20,623.37	-	-	26,619.18
Trade payable #	-	26,996.14	-	-	26,996.14
Lease liabilities	-	908.54	3,224.34	46.63	4,179.51
Deposits from dealers, agents etc.	487.07	81.22	-	-	568.29
Other financial liabilities (excluding Interest, Deposits from dealers, agents etc.)	-	3,896.46	3.44	-	3,899.90
Total	**6,482.88**	**58,169.88**	**48,790.81**	**12,334.63**	**1,25,778.20**

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

	As at March 31, 2023				
	On demand	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Non current borrowings (Including interest and current maturity of long term borrowing)	-	-	-	-	-
Current borrowings (including Interest Accrued)	1,461.60	-	-	-	1,461.60
Trade payable #	-	11,886.48	-	-	11,886.48
Lease liabilities	-	324.37	1,533.82	46.63	1,904.82
Deposits from dealers, agents etc.	507.37	50.00	-	-	557.37
Other financial liabilities (excluding Interest, Deposits from dealers, agents etc.)	-	2,144.14	3.44	-	2,147.58
Total	**1,968.97**	**14,404.99**	**1,537.26**	**46.63**	**17,957.85**

The amounts are payable over a period of 30-90 days as per the credit period with respective vendors.

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
FRN 012754N/N500016
Mumbai

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 39: Capital risk management

(a) The Group aims to manage its capital efficiency to safeguard its ability to continue as going concern and optimise return to the shareholders.

The capital structure of the Group is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Group's management monitors the return on capital as well as the level of dividends to shareholders.

The Group monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2024	As at March 31, 2023
Net Debt *	86,788.08	1,853.49
Total Equity	79,229.57	30,171.84
Net Debt to total equity	**1.10**	**0.06**

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents and current investments.

(b) The Group has not paid any dividend for the current year as well as previous year.

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note No 40: Ind AS 24- Related Party Disclosure

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Holding Company**
Raymond Limited, India

Other related parties with whom transactions have taken place during the year:

(b) **Fellow Subsidiary Company**
Raymond (Europe) Limited, United Kingdom

(c) **Entities over which parent exercises significant influence**
PT. Jaykay Files Indonesia, Indonesia
PT. Jaykay International Indonesia, Indonesia
Ray Global Consumer Trading Limited, India

Other related parties:

(d) **Key Management Personnel :**
Whole time Director : Balasubramanian Vishwanathan
Independent Director : Satish Sekhri
Independent Director : Vijay Bhatt
Non Executive Director : Rashmi Brijgopal Mundada
Non Executive Director : Ravikant Uppal
Non Executive Director : Gautamhari Singhania

(e) **Trust**
JK Files (India) Limited - Employees Gratuity Scheme
JK Talabot Limited - Employees Gratuity Scheme
Ring Plus Aqua Limited - Employee Gratuity Scheme

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

57

Ind AS 24- Related Party Disclosure

Note--2. Transactions carried out with related parties referred in 1 above, for the year ended and as at March 31, 2024 in ordinary course of business:

Nature of transactions	Related Parties									
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Other receipts :										
Accrued interest	-	-	-	-	-	0.09	-	-	-	-
Expenses :										
Employee Benefits Expenses (Managerial remuneration)		-	-	-	-	-	621.25	229.69	-	-
Other Expenses										
Rent expenses	158.23	158.23	-	-	-	-	-	-	-	-
Facility Charges	835.77	847.00	-	-	-	-	-	-	-	-
Legal and Professional Expenses	-	-	-	-	-	-	-	-	-	-
Directors sitting fees and commission	-	-	-	-	-	-	44.00	32.00	-	-
<u>Reimbursement of Expenses</u>			-	-	-	-	43.50	48.50	-	-
Salaries, wages, bonus, etc	-	0.85	-	-	-	-	-	-	-	-
Workmen and Staff welfare expenses	-	2.15	-	-	-	-	-	-	-	-
Electricity charges	71.34	57.25	-	-	-	-	-	-	-	-
Legal and Professional Expenses	73.53	43.66	-	-	-	-	-	-	-	-
Insurance	-	2.80	-	-	-	-	-	-	-	-
Miscellaneous expenses	189.66	158.68	-	-	-	-	-	-	-	-
Finance cost										
Interest expense on non-current borrowing	115.37	-	-	-	-	-	-	-	-	-
Contribution to Employees Gratuity fund	-	-	-	-	-	-	-	-	62.20	360.60
Other Receipts :										
Reimbursement of expenses	1,191.47	837.85	-	-	-	-	-	-	-	-
Non current borrowings :										
Loan from related party (Unsecured)	22,500.00	-	-	-	-	-	-	-	-	-
Subscription of Preference Shares (NCRPS) (Refer Note 15)	5,000.00	-	-	-	-	-	-	-	-	-

58

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Ind AS 24- Related Party Disclosure

Note--2. Outstanding balances of related parties referred in 1 above, for the year ended and as at March 31, 2024 receivable / payable in cash :

Nature of transactions	Related Parties							
	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Outstandings :								
Trade payable	131.31	74.94	16.15	16.15	-	-	22.00	24.00
Borrowings (Non Current)#	23,264.64	-	-	-	-	-	-	-
Trade receivable *	-	-	-	-	13.93	13.93	-	-
Other financial assets - Receivable from Related Parties*	227.11	650.52	-	-	50.12	50.12	-	-

* Trade Receivable and Receivable from related parties referred to in 1(c) above (PT JayKay Files and PT JayKay International, Indonesia) has been fully provided..
# Inter Company loan has been utilised for the purpose for which it has been obtained.

59

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Ind AS 24- Related Party Disclosure

Note--3. Transactions carried out with related parties referred in 1 above, for the year ended and as at March 31, 2024 in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2024	Year ended March 31, 2023
Other Income :		
Interest Income on Inter-company loan		
Ray Global Consumer Trading Limited	-	0.09
Expenses :		
Employee benefits expenses		
Short term employee benefits		
Balasubramanian Vishwanathan	611.94	222.56
Post employment benefits		
Balasubramanian Vishwanathan	9.31	7.13
Finance Cost		
Interest expense on non-current borrowing		
Raymond Limited	115.37	-
Other Expenses		
Rent expenses		
Raymond Limited	158.23	158.23
Facility charges		
Raymond Limited	835.77	847.00
Director sitting fees		
Gautamhari Singhania	0.50	1.00
Rashmi Mundada Brijgopal	5.50	4.50
Ravikant Uppal	5.00	5.50
Satish Sekhri	5.50	7.00
Vijay Bhatt	5.00	6.50
Director commission		
Mrs. Rashmi Mundada Brijgopal	8.00	4.00
Ravikant Uppal	8.00	8.00
Mr. Gautam Hari Singhania	2.00	4.00
Mr. Satish Sekhri	2.00	4.00
Mr. Vijay Bhatt	2.00	4.00
Legal and professional expenses		
Ravikant Uppal	44.00	32.00
Reimbursement of Expenses		
Salaries, wages, bonus etc.		
Raymond Limited	-	0.85
Workmen and Staff welfare expenses		
Raymond Limited	-	2.15
Electricity charges		
Raymond Limited	71.34	57.25
Legal and professional expenses		
Raymond Limited	73.53	43.66
Insurance		
Raymond Ltd	-	2.80
Miscellaneous expenses		
Raymond Limited	189.66	158.68
Paid to trust - Employees gratuity fund	62.20	360.60

Price Waterhouse Chartered Accountants LLP AAC-5001 FRN 012754N/N500016 Mumbai

JK FILES & ENGINEERING LIMITED

60

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Ind AS 24- Related Party Disclosure

Note--3. Transactions carried out with related parties referred in 1 above, for the year ended and as at March 31, 2024 in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2024	Year ended March 31, 2023
Other Receipts :		
Reimbursement of expenses		
Raymond Limited	1,191.47	837.85
Borrowings:		
Loan from related party (unsecured)		
Raymond Limited	22,500.00	-
Subscription of preference shares (NCRPS)		
Raymond Limited	5,000.00	-
Outstandings :	**As at March 31, 2024**	**As at March 31, 2023**
Trade payable		
Raymond Limited	131.31	74.94
Raymond Europe Limited	16.15	16.15
Mrs. Rashmi Mundada Brijgopal	8.00	4.00
Ravikant Uppal	8.00	8.00
Mr. Gautam Hari Singhania	2.00	4.00
Mr. Satish Sekhri	2.00	4.00
Mr. Vijay Bhatt	2.00	4.00
Trade receivable		
P T Jaykay International Indonesia*	13.93	13.93
Borrowing (Non Current)#		
Raymond Limited	23,264.64	-
Other financial assets		
Raymond Limited	227.11	650.52
P T Jaykay Files Indonesia*	50.12	50.12

* The total receivable from PT JayKay Files and PT JayKay International, Indonesia has been provided.

Particulars	Year ended March 31, 2024	As at March 31, 2023
Trade Receivables		
P T Jaykay International Indonesia	13.93	13.93
Other Financial Assets		
P T Jaykay Files Indonesia	50.12	50.12

Transactions were done in ordinary course of business and on normal terms and conditions.

61

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 41: Segment Information

A. Operating Segments:

The board of directors of the Group has appointed a Managing Director which assesses the position and group's financial performance rom a product perspective and which has been identified as an operating segment.
(i) Tools and hardware - The tools and hardware business operates three manufacturing facilities in India with two located at Chiplun and one at Ratnagiri (till September 2023) in Maharashtra , and Vapi in Gujarat, which are primarily involved in the manufacturing of files and drills.
(ii) Auto Components - includes manufacturing of manufacturing of ring gears, flexplates, water pump bearings and filters and includes manufacturing business of precision products including parts for transmissions, engines, hydraulics, power tool, hand primers located in the industrial belt of Nashik, Maharashtra and Bengaluru in Karnataka.
(iii) Aerospace Segment – includes various precision parts which are used in the manufacture of aircrafts.

The Managing Director uses the following measure to assess the performance of the operating segments.
Segment revenue and results:
The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment assets and Liabilities:
Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segments are shown as unallocable assets / liabilities.

Inter segment transfer:
Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(a) Summary of segment Information is as follows:

Particular	As at March 31, 2024					As at March 31, 2023			
	Tools & Hardware	Auto Components	Aero	Inter-Segment Elimination	Total	Tools & Hardware	Auto Components	Inter-Segment Elimination	Total
Segment Revenue									
External Revenue	42,939.85	43,111.98	-	-	86,051.83	48,927.15	37,480.74	-	86,407.89
Inter-Segment Revenue	2.46	-	-	(2.46)	-	4.85		(4.85)	-
Total Revenue	**42,942.31**	**43,111.98**	-	**(2.46)**	**86,051.83**	**48,932.00**	**37,480.74**	**(4.85)**	**86,407.89**
Segment Result	**1,450.50**	**7,954.30**	-	-	**9,404.80**	**4,706.17**	**5,362.58**	-	**10,068.75**
Add / (Less):									
Unallocated income/(expenses) (Net)					759.32				270.60
Finance Cost (Excluding Interest on Leases)					(702.41)				(150.20)
Profit before exceptional items and tax					9,461.71				10,189.15
Add / (Less) : Exceptional items					(3,399.73)				(597.21)
Profit before tax					6,061.98				9,591.94
Tax expense					(1,379.22)				(2,406.64)
Profit for the year					4,682.76				**7,185.30**
Other Information:									
Segment Assets	21,777.72	1,19,986.38	81,252.67	(30.96)	2,22,985.81	20,357.44	21,250.23	(45.82)	41,561.85
Unallocated assets					3,729.67				8,894.39
Total Assets	**21,777.72**	**1,19,986.38**	**81,252.67**	**(30.96)**	**2,26,715.48**	**20,357.44**	**21,250.23**	**(45.82)**	**50,456.24**
Segment Liabilities	9,641.00	24,926.79	7,030.29	(30.96)	41,567.12	9,687.31	8,849.45	(45.82)	18,490.94
Borrowings					85,802.83				1,454.87
Other unallocated liabilities					20,115.96				338.65
Total Liabilities	**9,641.00**	**24,926.79**	**7,030.29**	**(30.96)**	**1,47,485.92**	**9,687.31**	**8,849.45**	**(45.82)**	**20,284.46**
Capital Expenditure									
Segment capital expenditure	839.66	1,082.67	-	-	1,922.33	1,202.59	2,317.70	-	**3,520.29**
Depreciation and Amortisation:									
Segment depreciation and amortisation	929.08	1,014.07	-	-	1,943.15	830.79	959.27	-	**1,790.06**

(All amounts are in Rs. Lakhs, unless stated otherwise)

Entity wide disclosure
Information in respect of geographical area
Segment Revenue *

	Year ended March 31, 2024	Year ended March 31, 2023
India	40,274.28	38,180.50
Africa	5,702.40	7,620.04
America	14,593.69	16,556.48
Asia (excluding India)	5,375.38	6,933.63
Europe	15,795.83	12,833.72
Australia	7.35	26.84
Revenue from contracts with customers	81,748.93	82,151.21
Other operating revenue	4,302.90	4,256.68
Total Revenue	**86,051.83**	**86,407.89**

Carrying cost of segment Non-current asset**

	Year ended March 31, 2024	As on March 31, 2023
India	1,41,255.98	15,266.78
Africa	-	-
America	-	-
Asia (excluding India)	-	-
Australia	-	-
Total	**1,41,255.98**	**15,266.78**

* Based on location of customer
** Excluding financial asset, and income tax assets, deferred tax assets

(b) Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 42: Interests in other entities

The Consolidated Financial Statements present the consolidated accounts of the Group with its following Subsidiaries:

A. **Subsidiary**

The details of the Group's subsidiaries are set out below. Its share capital consists solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name	Country of Incorporation / Principal activities	As on March 31, 2024	As on March 31, 2023
Subsidiary :			
JK Talabot Limited (JKTL)			
- Ownership interest held by the Group	India / Tools and Hardware	90.00%	90.00%
- Ownership interest held by non-controlling interests		10.00%	10.00%
Scissors Engineering Products Limited (SEPL)			
- Ownership interest held by the Group	India / Non operating entity	100.00%	100.00%
- Ownership interest held by non-controlling interests		0.00%	0.00%
Ring Plus Aqua Limited (RPAL)			
- Ownership interest held by the Group	India / Auto components	89.07%	89.07%
- Ownership interest held by non-controlling interests		10.93%	10.93%
Maini Precision Products Limited (MPPL) Refer Note 45			
- Ownership interest held by the Group	India / Auto components and Aerospace	59.25%	-
- Ownership interest held by non-controlling interests		40.75%	-

B. **Non-controlling interests (NCI)**

Set out below is summarised financial information for subsidiary's non-controlling interests. The amounts disclosed for subsidiary are before Inter-company eliminations.

Summarised balance sheet	As on March 31, 2024				As on March 31, 2023		
	JKTL	RPAL	MPPL	Total	JKTL	RPAL	Total
Current assets	946.16	14,374.09	53,274.76	68,595.01	979.70	16,836.40	17,816.10
Current liabilities	437.73	12,776.26	44,280.12	57,494.11	352.17	9,583.57	9,935.74
Net current assets	**508.43**	**1,597.83**	**8,994.64**	**11,100.90**	**627.53**	**7,252.83**	**7,880.36**
Non-current assets	723.53	77,729.78	28,048.29	1,06,501.60	714.00	9,261.36	9,975.36
Non-current liabilities	-	58,169.32	8,354.41	66,523.73	-	320.35	320.35
Net non-current assets	**723.53**	**19,560.46**	**19,693.88**	**39,977.87**	**714.00**	**8,941.01**	**9,655.01**
Net assets	**1,231.96**	**21,158.29**	**28,688.52**	**51,078.77**	**1,341.53**	**16,193.84**	**17,535.37**
Accumulated NCI	**123.19**	**2,312.60**	**41,358.71**	**43,794.50**	**134.15**	**1,769.97**	**1,904.12**

Summarised statement of profit and loss	Year ended March 31, 2024				Year ended March 31, 2023		
	JKTL	RPAL	MPPL	Total	JKTL	RPAL	Total
Revenue	2,778.15	43,111.98	-	45,890.13	3,080.88	37,480.74	40,561.62
Profit for the year	(65.37)	5,147.79	-	5,082.42	(30.91)	3,911.05	3,880.14
Other comprehensive income / (loss)	(44.20)	21.79	-	(22.41)	13.90	(2.45)	11.45
Total comprehensive income	**(109.57)**	**5,169.58**	-	**5,060.01**	**(17.01)**	**3,908.60**	**3,891.59**
Profit allocated to NCI	(6.54)	562.65	-	556.11	(3.09)	427.48	424.39
Other comprehensive income / (loss) allocated to NCI	(4.42)	2.38	-	(2.04)	1.39	(0.27)	1.12
Total comprehensive income allocated to NCI	**(10.96)**	**565.03**	-	**554.07**	**(1.70)**	**427.21**	**425.51**

Summarised cash flows	Year ended March 31, 2024				Year ended March 31, 2023		
	JKTL	RPAL	MPPL	Total	JKTL	RPAL	Total
Cash flows from operating activities	23.39	5,447.40	-	5,470.79	3.16	4,087.16	4,090.32
Cash flows from investing activities	(39.10)	(64,536.74)	-	(64,575.84)	(47.77)	(3,513.61)	(3,561.38)
Cash flows from financing activities	(0.12)	58,991.12	-	58,991.00	(0.20)	(208.38)	(208.58)
Net increase/ (decrease) in cash and cash equivalents	**(15.83)**	**(98.22)**	-	**(114.05)**	**(44.81)**	**365.17**	**320.36**

C. There are no transactions with NCI during the year covered under Consolidated Financial Statements.

(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 43: Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below :

Name of Entities	2023-24							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent:								
JK Files & Engineering Limited	24.01%	19,025.93	-8.52%	(399.17)	144.86%	72.36	-6.91%	(326.81)
Subsidiary:								
JK Talabot Limited (Group's Share)	1.40%	1,108.77	-1.26%	(58.83)	-79.65%	(39.78)	-2.08%	(98.61)
Scissors Engineering Products Limited (Group's Share)	0.02%	17.60	-0.01%	(0.49)	0.00%	-	-0.01%	(0.49)
Ring Plus Aqua Limited (Group's Share)	23.79%	18,845.68	97.92%	4,585.14	38.86%	19.41	97.29%	4,604.55
Maini Precision Products Limited (Group's Share)	86.09%	68,208.50	0.00%	-	0.00%	-	0.00%	-
Non Controlling Interest of JK Talabot Limited	0.16%	123.19	-0.14%	(6.54)	-8.85%	(4.42)	-0.23%	(10.96)
Non Controlling Interest of Ring Plus Aqua Limited	2.92%	2,312.60	12.02%	562.65	4.76%	2.38	11.94%	565.03
Non Controlling Interest of Maini Precision Products Limited	52.20%	41,358.71*	0.00%	-	0.00%	-	0.00%	-
Inter-company Elimination & Consolidation Adjustments	-90.59%	(71,771.41)	0.00%	-	0.00%	-	0.00%	-
Grand Total		**79,229.57**		**4,682.76**		**49.95**		**4,732.71**

* Also, refer note 45

Name of Entities	2022-23							
	Net Assets i.e. total assets minus total liabilities		Share in profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent:								
JK Files & Engineering Limited	53.63%	16,181.32	46.10%	3,312.11	77.71%	39.91	46.32%	3,352.02
Subsidiary:								
JK Talabot Limited (Group's Share)	4.00%	1,207.38	-0.39%	(27.82)	24.36%	12.51	-0.21%	(15.31)
Scissors Engineering Products Limited (Group's Share)	0.06%	18.15	-0.10%	(6.95)	0.00%	-	-0.10%	(6.95)
Ring Plus Aqua Limited (Group's Share)	47.81%	14,423.87	48.48%	3,483.57	-4.24%	(2.18)	48.11%	3,481.39
Non Controlling Interest of JK Talabot Limited	0.44%	134.15	-0.04%	(3.09)	2.71%	1.39	-0.02%	(1.70)
Non Controlling Interest of Ring Plus Aqua Limited	5.87%	1,769.97	5.95%	427.48	-0.53%	(0.27)	5.90%	427.21
Inter-company Elimination & Consolidation Adjustments	-11.81%	(3,563.00)	0.00%	-	0.00%	-	0.00%	-
Grand Total		**30,171.84**		**7,185.30**		**51.36**		**7,236.66**

65

Note 44: Additional and regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment and intangible asset
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

(iii) Wilful defaulter
None of the entities in the Group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium
The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;

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

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

66

Note 45: Business Combination

Ring Plus Aqua Limited has completed the acquisition of Maini Precision Products Limited ("MPPL") on March 28, 2024, whereby it has acquired 59.25% stake for a consideration of Rs. 68,208.51 lakhs, pursuant to which MPPL became part of the Group. The acquisition has carried out to create a strong opportunity of scale in the global precision manufacturing and assembly space and unlock synergies.

The acquisition has been accounted for as a business combination using the acquisition method of accounting in accordance with Ind AS 103 'Business Combinations' in consolidated financial statements for the year ended March 31, 2024.

For the preparation of Consolidated Financial Statements, while the Group acquired control over MPPL with effect from March 28, 2024, the Group has considered March 31, 2024 as the acquisition date of MPPL considering the transactions and events between March 31,2024 i.e. 'convenience date' and March 28, 2024 i.e. 'actual acquisition date' are insignificant for the Group and therefore MPPL has been considered for consolidation w.e.f. March 31, 2024. Accordingly, the Consolidated Balance Sheet of the Group includes financial position in relation to the MPPL as at March 31, 2024 and Consolidated Statement of Profit and Loss for the year ended March 31,2024 does not include financial operation in relation to the MPPL considering consolidation being done from March 31, 2024.

As per Ind AS 103 'Business Combinations', purchase price has been provisionally allocated to the assets acquired and liabilities assumed based on the estimated fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired has been allocated to goodwill. The purchase price allocation has been done by an independent registered valuer and the allocation has been approved by the board in its meeting dated May 02, 2024.

Particulars	Fair Value
Non-current assets	
Property, plant and equipment	30,533.39
Right of use assets	1,605.30
Capital work - in - progress	20.94
Other intangible assets	65,783.91
Financial assets	
- Investments	0.57
- Loans	102.34
- Other financial assets	520.60
Income tax assets (net)	469.67
Other non-current assets	1,816.78
Current assets	
Inventories	25,061.56
Financial assets	
- Trade receivables	19,923.86
- Cash and cash equivalents	1,639.82
- Loans	40.43
- Other financial assets	177.73
Other current assets	6,431.37
Total Assets (A)	**1,54,128.27**
Non-current liabilities	
Financial liabilities	
- Borrowings	3,471.04
- Lease liabilities	1,630.75
Provisions	2,664.14
Deferred tax liabilities (net)	18,912.09
Current liabilities	
Financial Liabilities	
- Borrowings	26,847.09
- Lease liabilities	572.51
- Trade payables	12,981.86
- Other financial liabilities	2,352.69
Provisions	779.06
Current tax liabilities (net)	270.43
Other current liabilities	476.47
Total Liabilities (B)	**70,958.13**
Total identifiable net assets acquired at fair value (C) = (A - B)	**83,170.14**
Non-Controlling Interest (D)	41,358.71
Purchase Consideration (E)	68,208.51
Goodwill on acquition * (F) = (E - C + D)	**26,397.08**

*** Refer Note 3(a)**

Note: The above goodwill will not be deductible for tax purpose.

(All amounts are in Rs. Lakhs, unless stated otherwise)

67

Note 46: Share Based Payments

A. The Company's subsidiary Ring Plus Aqua Limited has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under RPAL ESOP 2019, the RPAL has granted 111,947 stock options for fair value of option determined on the date of grant.

Set out below is a summary of options granted under the plan:

	Year ended March 31, 2024	Year ended March 31, 2023
Opening balance	96,397	1,08,232
Exercised during the year	-	-
Granted during the year	-	-
Termination of ESOPs during the year *	96,397	-
Forfeited during the year	-	11,835
Closing balance	-	96,397
Vested and exercisable	-	96,397

* ESOP is terminated vide Board Resolution dated February 28, 2024.

The model inputs for options granted includes:

Date of grant	April 26, 2019
Number of options granted	111,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of initial public offering (IPO) of RPAL as under : 40% of Options at the time of RPAL's IPO 20% of Options after completing 1 year of RPAL's IPO 20% of Options after completing 2 years of RPAL's IPO 20% of Options after completing 3 years of RPAL's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277
Fair value of share options	270.96
Expected Price volatility of the RPAL's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

	Year ended March 31, 2024	Year ended March 31, 2023
Employee Stock Option Plan Expenses	19.49	42.96
Employee Stock Option Plan Reversal	(224.63)	0.00
Employee Stock Option Plan Expenses / (Reversal) (net)	(205.16)	42.96

Share based compensation for share based payment is reversed during the year pursuant to ESOP termination vide Board Resolution dated February 28, 2024.

JK FILES & ENGINEERING LIMITED

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

JK Files & Engineering Limited
CIN: U27104MH1997PLC105955
Notes to the Consolidated Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. Lakhs, unless stated otherwise)

Note 47: Exceptional items

Particulars	Year ended March 31, 2024 (Refer note no (i) below)	Year ended March 31, 2023 (Refer note no (ii) below)
Net Gain on sale of leasehold land & building	-	(534.42)
Retrenchment compensation	-	796.66
Voluntary retirement benefits	2,166.59	334.97
Restructuring expenses (related to plant closure)	148.64	-
Restructuring and Acquisition Expenses	1,084.50	-
Total	**3,399.73**	**597.21**

(i) 1)During the period, the Group has closed operations in its plant situated at Ratnagiri, whereby:

a) Voluntary Retirement Scheme ("VRS") was offered to its employees at the plant. The schemes were operative between May 03, 2023 to May 10, 2023 and September 01, 2023 to September 07, 2023. Pursuant to which, compensation to its employees amounting to Rs. 1,864.53 lakhs have been incurred and paid.

b) Restructuring expenses (other expenditure directly related to VRS and plant closure), aggregating to Rs. 148.64 lakhs have been incurred.

2) During the year, Ring Plus Aqua Limited ("RPAL") (subsidiary company) offered 'voluntary retirement benefits' (VRS scheme) to its eligible employees. The scheme were operative between 19th June 2023 to 23rd June 2023 and 8th June 2023 to 16th June 2023, pursuant to which, compensation to its employees amounting Rs. 302.06 lakhs have been incurred and paid.

3) RPAL has incurred certain costs relating to acquisition of MPPL and restructuring cost towards consolidation of group's engineering business amounting to Rs. 1,084.50 lakhs.

(ii) For the year ended March 31, 2023:
a) During the financial year ended March 31, 2023, the Group has disposed its rights in leasehold land (Right of Use Asset) and Building of its Pithampur plant at Pithampur on September 16, 2022, resulting in net gain of Rs. 534.42 lakhs.

b) Further, the Group has also given retrenchment compensation amounting to Rs. 796.66 lakhs (full and final settlement) to its eligible employees at Pithampur plant in accordance with Section 25FF of Industrial Disputes Act, 1947.

c) The Group during the financial year offered 'voluntary retirement benefits' (VRS scheme) to its eligible employees at its Starter Gear Division plant, beginning from October 11, 2022 to October 18, 2022. Pursuant to above, 29 employees opted for the scheme. Total cost of Rs. 334.97 lakhs has been incurred and paid.

Note 48: Issue Of 0.01% Non-Convertible Redeemable Preference Shares ("Preference Shares" or "NCRPS")
During the year, pursuant to the approval of the Board of Directors in their meeting held on March 15, 2024, the Company has issued 50,00,000 Non-Converible redeemable Preference Shares of Rs 100 each ("NCRPS"). These shares are redeemable within 20 years at the option of the Company.

Note 49: In respect of one of the subsidiary company MPPL, the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period July 17, 2023 to September 7, 2023, during which backup was maintained on weekly basis.

Note 50: Events occurring after the reporting period
The Board of Directors of the Company have approved Composite Scheme of Arrangement between the Company, Maini Precision Products Limited ("MPPL"), Ring Plus Aqua Limited ("RPAL"), JKFEL Tools and Technologies Limited and Ray Global Consumer Enterprise Limited ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, subject to the requisite regulatory approvals.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Mumbai
May 02, 2024

For and on behalf of Board of Directors

Balasubramanian V.
Managing Director
DIN: 05222476

Rashmi Mundada
Director
DIN: 08086902

Arun Agarwal
Chief Financial Officer

Akshat Chechani
Company Secretary

Mumbai
May 02, 2024

Annexure IV

INDEPENDENT AUDITORS' REPORT

To,
The Members of
JKFEL Tools and Technologies Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **JKFEL Tools and Technologies Limited** (The Company), which comprise the Balance sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and its profit (Including Comprehensive Income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

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 and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

Auditors' Responsibility

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

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

• Obtain an understanding of internal 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 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.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

c) The Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company does not have any pending litigations which would impact its financial position.

II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

IV.

a. Management has represented to us that , to the best of its knowledge and belief, and as disclosed in the notes to the accounts no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

c. Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under sub-clause (2)(h) (iv) (a) & (b) contain any material misstatement.

V. The Company has not declared or paid any dividend during the year ended 31st March 2024.

VI. The Company is maintaining books of accounts entirely manually. Accordingly, the assessment and reporting under Rule 11(g) is not be applicable.

3. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

A Innani

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

Place: Pune
Date: 24/06/2024
UDIN: 24168147BKGUEZ2040

CA Anurag Innani
Partner
Membership No. 168147

"ANNEXURE A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF JKFEL Tools and Technologies Limited

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by the company.

MGM AND COMPANY ★ F. R. No. 117963W PUNE Chartered Accountants

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)

a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred cash losses of Rs.5 Thousands in the financial year.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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) According to the information and explanations given to us and based on our examination of the records of the Company, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause xxi is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

AInnani

CA Anurag Innani
Partner
Membership No. 168147

Place: Mumbai
Date: 24/06/2024
UDIN: 24168147BKGUEZ2040

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

"ANNEXURE B" REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF JKFEL Tools and Technologies Limited

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

We have audited the internal financial controls over financial reporting of JKFEL Tools and Technologies Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

MGM AND COMPANY Chartered Accountants F. R. No. 117963W PUNE

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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Opinion

In our opinion, 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

AInnani

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

CA Anurag Innani
Partner
Membership No. 168147

Place: Pune
Date: 24/06/2024
UDIN: 24168147BKGUEZ2040

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Balance Sheet as at 31st March, 2024

(Amount in Rs. Thousand)

Sr. No.	Particulars	Note no.	As at 31st March, 2024
I	**ASSETS**		
1	**Current Assets**		
	(a) Financial Assets		
	(i) Cash and Cash equivalents	2	100.00
	TOTAL ASSETS		**100.00**
II	**EQUITY AND LIABILITIES**		
1	**Equity**		
	(a) Equity share capital	3	100.00
	(b) Other equity	4	(5.00)
2	**Current liabilities**		
	(a) Financial Liabilities		
	(i) Trade Payables	5	5.00
	TOTAL LIABILITIES		**100.00**

Statement of Significant Accounting Policies — 1
The accompanying notes are forming an integral part of the Financial Statements — 1-11

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

A Innani

CA Anurag Innani
Partner
Membership No. :168147
Place: Pune
Date: 21/06/2024

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

For and on behalf of the Board of Directors

Ashish Aggarwal	**Vijay Patil**
Director	**Director**
DIN: 09231011	**DIN: 07173161**
Place: Mumbai	**Place: Mumbai**
Date: 21/06/2024	**Date: 21/06/2024**

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Statement of Profit and Loss for the period from 22nd January 2024 to 31st March 2024

Sr. No.	Particulars	Note No.	For the period from 22nd january 2024 to 31st March 2024
I	**Revenue from Operations**		
II	**Other income**		-
	Total Income		-
III	**Expenses**		
	Other expenses	6	5.00
	Total expenses		**5.00**
IV	**Profit before tax**		**(5.00)**
V	**Tax expense**		
	Current tax		-
	Prior period tax		-
VI	**Profit after tax for the period (IV-V)**		**(5.00)**
VII	**Other Comprehensive Income**		-
VIII	**Total Comprehensive Income for the year (VI + VII)**		**(5.00)**
IX	**Earnings per equity share**		
	Basic	7	(5.00)
	Diluted		

Statement of Significant Accounting Policies	1
The accompanying notes are forming an integral part of the Financial Statements	1-11

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

AInnani

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

CA Anurag Innani
Partner
Membership No. :168147
Place: Pune
Date: 21/06/2024

For and on behalf of the Board of Directors

Ashish Aggarwal	**Vijay Patil**
Director	**Director**
DIN: 09231011	**DIN: 07173161**
Place: Mumbai	**Place: Mumbai**
Date: 21/06/2024	**Date: 21/06/2024**

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Cash Flow Statement for the period from 22nd january 2024 to 31st March 2024

Particulars	For the period from 22nd january 2024 to 31st March 2024
A. Cash Flow arising from Operating Activities:	
Net Profit before Tax as per Profit and Loss Statement	(5.00)
Operating Cash Profit before Working Capital Changes	(5.00)
Movement in Working Capital	
Increase/(Decrease) in Trade payable	5.00
Cash Inflow from Operations	-
Net Cash Inflow/(Outflow) in the course of Operating Activities	-
B. Cash Flow arising from Investing Activities:	
Inflow:	-
Outflow:	-
Net Cash Inflow/(outflow) in the course of Investing Activities	-
C. Cash Flow arising from Financing Activities:	
Inflow: Introduction of Equity Capital	100.00
Outflow:	-
Net Cash Inflow/(Outflow) in the course of Financing Activities	**100.00**
Net Increase (Decrease) in Cash/Cash Equivalents (A + B + C)	100.00
Balance at the beginning of the year	-
Cash/Cash Equivalent at the end of the year	**100.00**

The accompanying notes are forming an integral part of the financial statements. 1-11

Note:- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7,'Statement of Cash flows'.

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

AInnani

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

CA Anurag Innani
Partner
Membership No. :168147
Place: Pune
Date: 21/06/2024

For and on behalf of the Board of Directors

Ashish

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 21/06/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 21/06/2024

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Statement of Changes in Equity

A. Equity Share Capital

(Amount in Rs. Thousand)

Particulars	Notes	Amount
As at 31st March, 2023 *		-
Changes in equity share capital	6	100.00
As at 31st March, 2024		100.00

* Company incorporated on 22nd January 2024

B. Other Equity

(Amount in Rs. Thousand)

Particulars	Reserve and Surplus		Total
	General Reserves	Retained Earnings	
Profit for the year		(5.00)	(5.00)
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		(5.00)	(5.00)
Balance as at 31st March, 2024		**(5.00)**	**(5.00)**

The accompying notes are forming an intergal part of this standalone financial statements.

As per our Report of even date
For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

AInnani

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

CA Anurag Innani
Partner
Membership No. :168147
Place: Pune
Date: 21/06/2024

For and on behalf of the Board of Directors

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 21/06/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 21/06/2024

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Note 1 - Significant Accounting Policies

JKFEL Tools and Technologies Limited is a company limited by shares and incorporated on January 22, 2024. The registered office of the Company is situated at C/o. Raymond Ltd, Jekegram, Pokhran Road No-1, Thane - 400606.

A. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting standards) Rules,2015 as amended and other relevant provisions of the Act. These financial statements for the year ended 31st March 2024 and with comparatives are prepared under Ind AS. The accounting policies are applied consistently to all the periods presented in the financial statements.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

B. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

C. Investments and other financial assets

1. **Classification**

The company classifies its financial assets in the following measurement categories:

a. Those to be measured subsequently at fair value (either through other comprehensive income, through the Statement of Profit and Loss), and

b. Those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

2. **Measurement**

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

a. **Debt instruments:** Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

i. Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principle and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method.

ii. Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

b. **Equity instruments:** The company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

3. **Impairment of financial assets**

The company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

4. **Income recognition**

a. **Interest income:** Interest income from debt instruments is recognised using the effective interest rate method.

b. **Dividend:** Dividend is recognised in the Statement of Profit and Loss only when the right to receive payment is established.

D. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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 company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

E. Depreciation/ Amortization

Depreciation is provided on a pro-rata basis on a Straight-Line Method (SLM) basis over the estimated useful life as specified in Schedule II of the Companies Act, 2013. Depreciation on additions to/ deletions from assets is calculated on pro-rata basis.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

F. **Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the company will pay normal income tax during the specified period.

G. **Earnings Per Share**

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

H. **Cash and Cash Equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

I. **Segment Reporting:**

Disclosure required in terms of Indian Accounting Standard 108 prescribed by The Institute of Chartered Accountants of India in respect of Segment Reporting is not applicable as the Company's activities fall within a single segment.

J. **Provisions and contingent liabilities**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognize a contingent asset unless the recovery is virtually certain.

M G M AND COMPANY F. R No. 117963W PUNE Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 2 - Financial Assets - Cash and cash equivalents (Amount in Rs. Thousand)

Particulars	As at 31st March, 2024
Balance with bank - in current account	100.00
Total	**100.00**

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 3 - Equity

(a) Equity Share capital (Amount in Rs. Thousand)

Particulars	As at 31st March, 2024
Authorised	
1000 Equity Shares of Rs. 100 each	100.00
Issued, subscribed and fully paid up	
1000 Equity Shares of Rs. 100 each	100.00
Total	**100.00**

i) Reconciliation of number of shares (Amount in Rs. Thousand)

Particulars	As at 31st March, 2024	
	Number of shares	Amount
Equity Shares :		
Balance as at the beginning of the year*	-	-
Add: Shares issued during the year	1,000	100
Balance as at the end of the year	**1,000**	**100.00**

* Company incorporated on 22nd January 2024

ii) Rights, preferences and restrictions attached to shares

Equity shares: The Company has issued only one class of equity shares having face value of Rs. 100/- each.Each Share holder is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity share will be entitled to receive any of the remaining assets of the Company after

iii) Details of shares held by shareholders holding more than 5% of the aggregare shares in the Company:

Particulars	% Holdings	As at 31st March, 2024	% Holdings
1000 Equity Shares held by Raymond Ltd & It's Nominee	100%	1,00,000	100%

iv) Details of equity shares held by promoters in the Company

Particulars	% Holdings	As at 31st March, 2024	% Holdings
1000 Equity Shares held by Raymond Ltd & It's Nominee	100%	1,00,000	100%

v) Details of equity shares held by Holding Company

Particulars	% Holdings	As at 31st March, 2024	% Holdings
1000 Equity Shares held by Raymond Ltd & It's Nominee	100%	1,00,000	100%

M G M AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 4 - Other Equity

(Amount in Rs. Thousand)

Particulars	Retained earning	Total
Balance as at 31st March 2023*	-	-
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the current reporting Period	-	-
Profit for the year	(5.00)	(5.00)
Other Comprehensive Income for the year (Remeasurement of defined benefit plan)		
Balance as at 31st March 2024	**(5.00)**	**(5.00)**

* Company incorporated on 22nd January 2024

Note 5 - Trade Payables

(Amount in Rs. Thousand)

Particulars	As at 31st March, 2024
Trade Payable: Micro and Small Enterprises	-
Trade Payable: Others	5.00
Total	**5.00**

Trade Payables Ageing Schedule

(Amount in Rs. Thousand)

Particulars	Outstanding For following period from due date of payment		
	Less than 1 Year	1-2 years	More than 2 Years
2023-24			
(i) MSME			
(ii) Others	5.00	-	-

MGM AND COMPANY
F.R No.
117963W
PUNE
Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 6 - Other expenses *(Amount in Rs. Thousand)*

Particulars	For the period from 22nd january 2024 to 31st March 2024
Audit Fees	5.00
Total	**5.00**

Note 7 - Earnings per share *(Amount in Rs. Thousand)*

Particulars	For the period from 22nd january 2024 to 31st March 2024
Earnings Per Share has been computed as under:*	
Profit for the period (Amount in Rs. Thousand)	(5.00)
Weighted average number of equity shares outstanding (Nos.)	1,000
Earnings Per Share (Rs.) - Basic (Face value of Re. 100 per share)	**(5.00)**

* Diluted Earing Per Share is same as Basic Earning Per Share.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 8 - Fair Value Measurement

Financial Instrument by catogory and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(Amount in Rs. Thousand)

Financial Assets and Liabilities as at 31st March'2024	Non Current	Current	Total	Routed through P & L				Routed through OCI				Carrying at amortised cost				Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial Assets																
Other Assets																
Trade receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash equalents	-	100.00	100.00	-	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00
Loan to related party		-	-											-	-	-
	-	100.00	100.00	-	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00
Financial Liabilities																
Trade Payables	-	5.00	5.00											5.00	5.00	5.00
	-	5.00	5.00	-	-	-	-	-	-	-	-	-	-	5.00	5.00	5.00

(Amount in Rs. Thousand)

Particulars	As at 31st March'24	
	Carrying amount	Fair Value
Current Assets		
Trade receivable	-	-
Cash and Cash equalents	100.00	100.00
Total	100.00	100.00
Financial Liabilities		
Trade Payables	5.00	5.00
Total	**5.00**	**5.00**

M G M AND COMPANY ★ F. R. No. 117963W PUNE ★ Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 9 - Analytical Ratios

Sr. No.	Particulars	Numerator	Denominator	31st March, 2024
1	Current Ratio	Current Assets	Current Liabilities	20.00
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-
3	Debt Service Coverage Ratio	Earnings available for debt service	Principal + Interest & Lease payment	-
4	Return on Equity Ratio	Net Profit after tax	Shareholders' Equity	(5.05)
5	Inventory turnover ratio	Net Sales	Average Inventory	-
6	Trade Receivables turnover ratio	Net Credit Sales	Average Account receivables	-
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	-
8	Net capital turnover ratio	Net Sales	Working Capital	-
9	Net profit ratio	Net Profit	Net Sales	-
10	Return on Capital employed	EBIT	Capital Employed	(5.05)
11	Return on investment			
	(a) Unquoted	Income generated from investments	Time weighted average investments	-
	(b) Quoted	Income generated from investments	Time weighted average investments	-

The calculation of above ratios are in accordance with the formulaes prescribed by Guidance Note of Schedule III issued by the Institute of Chartered Accountants of India.

Note: The Company was incorporated on 22nd January, 2024 and this is the first financial period of the Company. Hence, there are no figures of the previous period for calculating deviation.

M G M AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 10 - Financial Risk Management

Financial risk management objectives and policies

The Company financial risk management is an integral part of how to plan and execute its business strategies.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates,equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

The Company manges market risk through a treasury departments, which evalutates and exercises independent control over the entire process of market risk management. The treasury department recommend risk mangament objectives and policies, which are approved by Senior Management and the Audit Committee. The acitivies of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury prerforms a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Company has no borrowings as at March 31, 2023 and March 31, 2022 and thus the Company does not foresee any interest rate risk.

Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodites and services in the respective currencies.

The Company has no receivables or payables in foreign currency as at March 31, 2023 and March 31, 2022 and thus the Company does not foresee any foreign currency risk.

MGM AND COMPANY
F. R No. 117963W
PUNE
Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 10 - Financial Risk Management

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customes, taking into account the financial condtion, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probablity of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throught each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occuring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business,
ii) Actual or expected significant changes in the opertaing results of the counterparty,
iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
iv) Significant increase in credit risk on other financial instruments of the same counterparty,
v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due.Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury deparment is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity patterns of other Financial Liabilities

As at 31st March'24 (Amount in Rs. Thousand)

Particulars	Overdue/ Payable on demand	0-3 months	3-6 months	6 - 12 months	beyond 12 months	Total
Trade Payable	5.00	-	-	-	-	5.00
Other Financial liabilities (Current and Non Current)		-	-			-
Total	5.00	-	-	-	-	5.00

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

JKFEL Tools and Technologies Limited
C/O Raymond Ltd, Jekegram, Pokhran Road No.1, Thane - 400606
CIN: U25933MH2024PLC417852

Notes forming integral part of financial statements as at 31st March 2024

Note 11 - Other Notes

1. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year- end together with interest paid/payable as required under the said Act have not been given.

2. In the opinion of the Board, the Current Assets, Loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are carried in the books and provision for all known and determined liabilities (except otherwise stated) are adequate and not in the excess of the amount reasonably stated.

3. Auditors' Remuneration (Excluding GST) and Expenses:

(Amount in Rs. Thousand)

Particulars	31-03-2024
Audit Fees	5.00

4. The information as required by Indian Accounting Standard 24 relating to 'Related Party Disclosures' is given below:

Name of the related party and description of relationship where control exists:

Name	Relationship
Mr. Ashish Agarwal	Director
Mr. Vijay Patil	Director
Mr. Jarin Khanna	Director
Raymond Limited	Holding Company

*No Outstanding balances with related party

**No Transaction with related party during the year

5. **Other Statutory Information**

i) **Details of benami property held:**

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has 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.

ii) **Relationship with struck off companies:**

The Company does not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

iii) **Willful defaulter:**

The Company has not been declared a willful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

iv) Registration of charges or satisfaction with Registrar of Companies:
The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

v) Details of crypto currency or virtual currency:
The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

vii) Valuation of Property, plant and equipment and intangible asset:
The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

viii) Utilization of borrowed funds and share premium:
The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) Compliance with the number of layers:
The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

x) Compliance with approved scheme(s) of arrangements:
During the year, no scheme of arrangement has been formulated by the company/pending with competent authority.

6. The company was incorporated on 22 January 2024 and this is the first financial period of the company. Hence, there are no figures are of the previous period for calculating deviation.

For MGM and Company
Chartered Accountants
Firm Reg. No : 117963W

AInnani

CA Anurag Innani
Partner
Membership No. :168147
Place: Pune
Date: 21/06/2024

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

For and on behalf of the Board of Directors

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 21/06/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 21/06/2024

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Ring Plus Aqua Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Ring Plus Aqua Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act . Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report but does not include the financial statements and our auditor's report thereon.

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai 400 028 T: +91(22) 66691500, F: +91 (22) 66547804/ 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its Conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

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

9. 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.

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

Report on other legal and regulatory requirements

11. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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 other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
★ Mumbai ★

f) With respect to the adequacy of the internal financial controls witheference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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 financial statements – Refer Note 39 to the financial statements;

ii. The Company has long-term contracts including derivative contracts as at March 31, 2023, for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 to the financial statements); and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number 112433
UDIN: 23112433BGYMLQ6459

Mumbai
May 02, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Ring Plus Aqua Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2023

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number 112433
UDIN : 23112433BGYMLQ6459

Mumbai
May 02, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(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 3(a) and (b) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(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 the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. 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.

(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, which are in agreement with the unaudited books of account. (Also refer Note 20 to the financial statements)

iii. (a) The Company has made investments in five other parties. The Company did not provide any guarantee or security or granted secured/ unsecured loans or advances in nature of loans, to any companies, firm, limited liability partnership or any other parties. Therefore, the reporting under clause (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(b) In respect of the aforesaid investment, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. Accordingly, provision of Section 185 and 186 are not applicable to the Company to that extent. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 in respect of investments made.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (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 regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, 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. Also, refer note 39 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax, provident fund, employees' state insurance, service tax, duty of customs, duty of excise, cess, as referred to in sub-clause (a) which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. Lakhs) (Net of amount deposited)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax	14.26	A.Year – 2011-12	Joint commissioner of Income Tax
The Income Tax Act, 1961	Income tax	12.90	A.Year – 2021-22	Commissioner of Income Tax (Appeals), Mumbai
The Central Sales tax Act, 1956	Sales tax	2.72	F.Year – 1999-00	Asst Commissioner of Sales Tax Appeals, Pune
The MVAT Act, 2002	Sales Tax	823.87	F.Year – 2015-16	Maharashtra sales tax tribunal

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

viii. 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. (a) According to the records of the Company examined by us and the information and explanation 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 Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (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) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

xii. 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. 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 financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (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) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. 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. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

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

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

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 46 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number 112433
UDIN : 23112433BGYMLQ6459

Mumbai
May 02, 2023

Price Waterhouse Chartered Accountants LLP

The Audit Committee
CC : Board of Directors

Ring Plus Aqua Limited
D 34, Sinnar Taluka Audyogic Vasahat,
Maryadit Village Musalgaon,
Taluka Sinnar,
Nashik - 422112

May 2, 2023

Dear Sirs,

Independence Discussions

We have been engaged to audit the financial statements of Ring Plus Aqua Limited ("the Company") for the year ended March 31, 2023. As the Statutory Auditors of the Company in India, we are required to follow Standard on Auditing (SA) 260 (Revised) - Communication with Those Charged with Governance. SA 260 requires that we communicate in writing with Those Charged with Governance regarding auditor independence.

We provide below an assessment and confirmation of our independence under the applicable Independence Rules.

In this regard we would be pleased to interact with the Audit Committee and Board of Directors to answer any questions on the matters covered by this letter.

Price Waterhouse & Affiliates Network of Firms registered as network with the Institute of Chartered Accountants of India comprises Lovelock & Lewes Chartered Accountants LLP (FRN 301056E /E300265), Lovelock & Lewes LLP (FRN 116150W/W100032), Price Waterhouse LLP (FRN 301112E /E300264), Price Waterhouse, Bangalore (FRN 007568S), Price Waterhouse & Co Bangalore LLP (FRN 007567S/S200012), Price Waterhouse & Co Chartered Accountants LLP (FRN 304026E/E300009), Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016), Price Waterhouse & Co (FRN 050032S), Dalal & Shah Chartered Accountants LLP (FRN 102020W/W100040), Choksey Bhargava & Co LLP (FRN 000059N/N500010) (collectively "PW&A Assurance Firms") and Price Waterhouse & Co LLP (FRN 016844N/N500015) (together "Price Waterhouse & Affiliates"). Other Indian member firms within the PwC Network, operating in India that provide other than audit services to clients include PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP, PwC Business Consulting Services LLP and PricewaterhouseCoopers Private Limited, having its subsidiary PricewaterhouseCoopers Bangladesh Private Limited in Bangladesh, ("PwCPL"), PwC Corporate Business Services LLP, PricewaterhouseCoopers Digital Services Private Limited and PricewaterhouseCoopers India LLP. Assurance and related services are rendered by PW&A Assurance Firms and tax and business advisory services are rendered by the firm Price Waterhouse & Co LLP (FRN 016844N/N 500015), PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP, PwC Business Consulting Services LLP, PwCPL, PwC Corporate Business Services LLP, PricewaterhouseCoopers Digital Services Private Limited and, PricewaterhouseCoopers India LLP. Constituent of Price Waterhouse & Affiliates, PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP, PwC Business Consulting Services LLP, PwCPL, PwC Corporate Business Services LLP, PricewaterhouseCoopers Digital Services Private Limited and PricewaterhouseCoopers India LLP are licensee member firms in India of the PricewaterhouseCoopers International Limited ("PwCIL") that provide services to clients.

Price Waterhouse Chartered Accountants LLP

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai – 400 028 T: +91(22) 66691500, F: +91 (22) 66547804/ 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its Conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

Each member firm of the PwCIL network is independently owned and operates as a separate legal entity. PwCPL, PricewaterhouseCoopers Services LLP, PricewaterhouseCoopers Professional Services LLP, PwC Business Consulting Services LLP, PwC Corporate Business Services LLP, PricewaterhouseCoopers Digital Services Private Limited and PricewaterhouseCoopers India LLP are not "associate concerns" as defined in the Guidelines for members of the ICAI, Council Guidelines No.1- CA (7)/02/2008 dated August 8, 2008 of the Firms.

For the purposes of SA 260, independence is measured by each of the Firms individually in compliance with the following ("Independence rules"):

a) Guidance Note on Independence of Auditors;

b) The Code of Ethics, as issued by the ICAI, to ensure Independence of Auditors; The Chartered Accountants Act, 1949 (as amended); and The Chartered Accountants Regulations, 1988;

c) The Companies Act, 2013 including Sections 141/144 as may be applicable; and

d) Standards on Auditing, as may be applicable.

Under the above independence rules, we are not aware of any relationships between Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016) and the Company that, in our professional judgement, may reasonably be thought to bear on our independence which have occurred since May 12, 2022, the date of our last letter, through the date of this letter.

We report total fees to be charged during the year covered by the financial statements for audit and related services provided by Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016) to the Company:

Engagements*	**Charged during the year (Rs. In lakhs)**
Statutory audit	15.25
RBI Certifications	0.20
Total	15.45

*Excludes Goods and Service Tax and Out of Pocket expenses.

The above fees charged / chargeable do not include an element of contingent fees.

Outstanding Fees

There are no significant amounts of fees that have remained unpaid with respect to the professional services rendered by Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016) to the Company prior to the issuance of our audit report.

This letter is intended solely for the use of the Audit Committee, the Board of Directors, management, and others charged with governance within the Company and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you at the forthcoming Audit Committee meeting on May 2, 2023.

We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

We would ask the Audit Committee to take on record their assessment on the above matters with respect to the Independence rules as defined above.

Yours faithfully,
For Price Waterhouse Chartered Accountants LLP (FRN 012754N/N500016)

Arunkumar Ramdas
Partner

RING PLUS AQUA LIMITED
Balance Sheet as at March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	March 31, 2023	March 31, 2022
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	3(a)	8,793.44	6,925.54
	(b) Right-of-use asset	3(b)	73.03	84.56
	(c) Capital work - in - progress	3(c)	83.80	756.38
	(d) Other Intangible assets	4(a)	-	0.28
	(e) Intangible assets under development	4(b)	145.76	-
	(f) Financial Assets :			
	(i) Investments	5	8.61	8.61
	(ii) Other Financial Assets	6	33.03	19.32
	(g) Non-Current Tax Assets (Net)	7(b)	41.94	7.27
	(h) Other non - current assets	8	81.75	453.00
	Total Non-Current Assets		**9,261.36**	**8,254.96**
2	**Current assets**			
	(a) Inventories	9	5,013.76	5,158.89
	(b) Financial Assets :			
	(i) Investments	10	3,957.59	2,257.39
	(ii) Trade Receivables	11	6,768.80	4,702.75
	(iii) Cash and Cash Equivalents	12	837.91	472.74
	(iv) Bank Balances Other Cash and Cash Equivalents above	13	3.50	3.50
	(v) Other financial assets	14	3.04	18.48
	(c) Other current assets	15	241.25	403.90
	Total Current Assets		**16,825.85**	**13,017.65**
3	**Assets classified as held for sale**	16	10.55	-
	TOTAL ASSETS		**26,097.76**	**21,272.61**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	17	775.67	775.67
	b) Other Equity	18	15,418.17	11,466.61
	Total Equity		**16,193.84**	**12,242.28**
2	**Non-current liabilities**			
	Deferred tax liabilities (Net)	7(a)	320.35	380.72
	Total Non Current Liabilities		**320.35**	**380.72**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	20	719.61	911.55
	(ii) Trade Payables	21	7,426.52	6,394.09
	(iii) Other Financial Liabilities	22	565.50	570.79
	(b) Provisions	23	536.99	511.95
	(c) Current Tax Liabilities (Net)	7(c)	15.61	13.89
	(d) Other current liabilities	24	319.34	247.34
	Total Current Liabilities		**9,583.57**	**8,649.61**
	Total Liabilities		**9,903.92**	**9,030.33**
	TOTAL EQUITY AND LIABILITIES		**26,097.76**	**21,272.61**
Significant Accounting Policies		1		
The accompanying notes are an integral part of these financial statements		2 to 51		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 2, 2023

For and on behalf of Board of Directors

Ravikant Uppal
Director
DIN : 00025970

V. Balasubramanian
Director
DIN : 05222476

RING PLUS AQUA LIMITED
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
I	**Income**			
	Revenue from Operations	25	37,480.74	31,201.85
	Other Income	26	366.75	1,193.72
	Total Income		**37,847.49**	**32,395.57**
II	**Expenses**			
	Cost of raw materials consumed	27	15,487.91	12,404.12
	Changes in inventories of finished goods and work-in progress	28	224.80	56.66
	Employee benefits expense	29	3,105.03	2,826.83
	Finance costs	30	20.25	53.88
	Depreciation and amortization expense	31	959.27	1,076.76
	Other Expenses	32	12,533.47	10,818.85
	Total expenses		**32,330.73**	**27,237.10**
III	**Profit before exceptional items and tax**		**5,516.76**	**5,158.47**
IV	**Exceptional Items**			
	- VRS Expenses	49	334.97	-
III	**Profit before tax**		**5,181.79**	**5,158.47**
IV	**Income Tax expense**			
	Current tax	7	1,343.51	1,265.00
	Deferred tax		(60.37)	48.96
	Tax in respect of earlier years		(12.40)	(28.14)
	Total Tax Expense		**1,270.74**	**1,285.82**
V	**Profit for the year**		**3,911.05**	**3,872.65**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations	43	(3.27)	52.85
	Tax Impact on above		0.82	(13.30)
	Other Comprehensive Income		**(2.45)**	**39.55**
VII	**Total Comprehensive Income for the year**		**3,908.60**	**3,912.20**
VIII	Earnings per equity share of Rs. 10 each :			
	Basic (in Rs.)	37	50.42	49.93
	Diluted (in Rs.)		49.80	49.24
Significant Accounting Policies		**1**		
The accompanying notes are an integral part of these financial statements		**2 to 51**		

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 2, 2023

For and on behalf of Board of Directors

Ravikant Uppal
Director
DIN : 00025970

V. Balasubramanian
Director
DIN : 05222476

RING PLUS AQUA LIMITED

Statement of Cash Flow for the year ended March 31, 2023

(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2023		For the Year ended March 31, 2022	
A. Cash Flow from Operating Activities				
Profit before exceptional items and tax		5,516.76		5,158.47
Ajustments for :				
Depreciation and amortization expense	959.27		1,076.76	
Employee benefit expense (ESOP)	42.96		44.98	
Net (Gain)/Loss on sale/discard of Property, Plant and Equipment	9.31		(434.68)	
Net (Gain) on Sale and Fair Valuation of Investments	(150.52)		(65.22)	
Deposits Written off	10.89		0.24	
Less : Provision thereagainst	(10.89)		-	
Dividend Income	(0.04)		(0.04)	
Interest Income	(22.26)		(214.57)	
Finance Cost	20.25		53.88	
		858.97		461.34
Operating Cash Profit before Working Capital Changes		6,375.73		5,619.81
Add/(Deduct) :				
(Increase)/Decrease in Inventories	145.14		(241.38)	
(Increase) in Trade and Other Receivables	(1,858.51)		(747.40)	
Increase in Trade and Other Payables	1,091.38		495.36	
Increase/(Decrease) in Provisions	21.76		39.59	
		(600.23)		(453.83)
		5,775.50		5,165.98
Less : Taxes Paid (Net)		1,375.63		1,278.30
		4,399.87		3,887.68
Less : Exceptional Items - Payment towards VRS		334.97		-
Net Cash Inflow from Operating Activities		**4,064.90**		**3,887.68**
B. Cash Flow from Investing Activities				
Payments for Property, Plant & Equipment & Intangible Assets	(1,973.27)		(1,365.70)	
Receipts on Sale of Property, Plant & Equipments	9.31		847.75	
Repayment received of Inter corporate loan given	-		5,000.00	
Sale proceeds of current investment	1,000.31		8,929.80	
Payment for Purchase of Current Investments	(2,550.00)		(9,821.38)	
Interest Income	22.26		214.57	
Dividend Received	0.04		0.04	
Net Cash Inflow/(Outflow) from Investing Activities		**(3,491.35)**		**3,805.08**
C. Cash Flow from Financing Activities				
Dividend Paid	-		(7,213.70)	
Proceeds from Deposits	-		50.00	
Repayment of Non-current Borrowings	(9.69)		(25.84)	
Repayment of Current Borrowings (net)	(182.26)		(147.95)	
Interest Paid	(16.43)		(53.88)	
Net Cash Outflow from Financing Activities		**(208.38)**		**(7,391.37)**
Net Increase in Cash and Cash Equivalents (A+B+C)		365.17		301.40
Add: Balance at the beginning of the financial Year		472.74		171.35
Cash and Cash Equivalents as at the end of the Year		**837.91**		**472.74**

Price Waterhouse Chartered Accountants LLP LLPIN AAC - 5001 FRN 012754N/N500016 ★ Mumbai ★

RING PLUS AQUA LTD. RPAL ★

RING PLUS AQUA LIMITED
Statement of Cash Flow for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Cash and Cash Equivalent as per above comprise of the following		
Cash and Cash Equivalent	837.91	472.74
Less: Deposits with maturity more than three months	-	-
Balance as per Statement of Cash Flows (Refer Note 12)	**837.91**	**472.74**
Significant Accounting Policies	1	
The accompanying notes are an integral part of these financial statements	2 to 51	

The Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cashflows.

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 2, 2023

For and on behalf of Board of Directors

Ravikant Uppal
Director
DIN : 00025970

V. Balasubramanian
Director
DIN : 05222476

RING PLUS AQUA LIMITED

Statement of Changes in Equity for the year ended March 31, 2023

(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at March 31, 2022	17	775.67
As at March 31, 2023		775.67

B. OTHER EQUITY

Particulars	Note No.	Reserves and Surplus					Total
		Capital Reserve (On Amalgamation)	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	
As at March 31, 2021	18	**610.35**	**993.60**	**117.21**	**12,721.25**	**280.72**	**14,723.13**
Profit for the year		-	-	-	3,872.65	-	3,872.65
Remeasurement of defined benefit obligation, net of tax		-	-	-	39.55	-	39.55
Dividend Paid		-	-	-	(7,213.70)	-	(7,213.70)
Employee Stock Option Plan Expenses		-	-	44.98	-	-	44.98
As at March 31, 2022	18	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**11,466.61**
Profit for the year		-	-	-	3,911.05	-	3,911.05
Remeasurement of defined benefit obligation, net of tax		-	-	-	(2.45)	-	(2.45)
Employee Stock Option Plan Expenses	18	-	-	42.96	-	-	42.96
As at March 31, 2023		610.35	993.60	205.15	13,328.35	280.72	15,418.17

As per our attached Report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Arunkumar Ramdas

Partner

Membership No. 112433

For and on behalf of Board of Directors

Ravikant Uppal

Director

DIN : 00025970

V. Balasubramanian

Director

DIN : 05222476

Place : Mumbai

Date : May 2, 2023

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES :

I. Background and Operations

Ring Plus Aqua Limited ('RPAL' or 'the Company'), CIN : U99999MH1986PLC040885, headquartered in Mumbai, Maharashtra, India, carries on business of manufacturing and selling Ring Gears, Flexplates, Water Pump Bearings, machined components both for auto component and engineering products. JK Files & Engineering Limited is holding company of RPAL holding 89.07% capital of the Company.

II. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting standards) Rules, 2015], as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

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

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

2) defined benefit plans - plan assets measured at fair value;

3) share based payments

(iii) New and Amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(c) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery and certain vehicles which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated residual value.

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

(d) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Price Waterhouse Chartered Accountants LLP LLPIN AAC - 5001 FRN 012754N/N500016 ★ Mumbai ★

RING PLUS AQUA LTD. RPAL ★

(e) Leases

The Company's lease asset classes primarily consist of leases for Land. Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

(f) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(h) Trade Payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(i) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost of raw material and cost of stores and consumables comprise all cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable cost and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
REAL

(j) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Recognition

Purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

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

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

RING PLUS AQUA LTD.
RPAL
★

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

- Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

- Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(k) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(m) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(n) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the Financial statement unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statement unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(o) Revenue recognition

Sale of goods and process waste sale -

Sales are recognised when the control of the goods has transferred to the customer, which is generally on delivery of goods to customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, which signifies the risks of obsolescence and loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Other operating revenue - Export incentives -

Export Incentives under the, "Duty Draw back Scheme", "RODTEP" etc. is accounted in the year of export.

(p) Employee benefits

(i) Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months, after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

Defined Contribution Plans

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

Defined Benefit Plans

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

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

(iii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months, after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits at the earlier of the following dates: (a) when the company can no longer withdraw the offer of those benefits; and (b) when the company recognises costs for are structuring that is within the scope of Ind AS37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(q) Foreign currency transactions

(i) Functional and presentation currency :

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transaction and Balances :

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(r) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(s) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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

(t) Share Based Payments

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).

The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(u) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director, decision maker.

(v) Dividends :

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(x) Impairment of assets :

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

(y) Contributed equity :

Equity shares are classified as equity.

2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimtes or judgement are:

- Estimation of Defined benefit obligation (Refer Note 43).

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

(All amounts are in Rs. lakhs, unless stated otherwise)

3(a) Property, Plant and Equipment

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount :							
As at March 31, 2021	2,091.65	8,732.47	69.96	1,164.09	265.25	122.33	12,445.75
Additions	45.48	279.93	5.90	0.20	21.37	22.24	375.12
Disposals	-	39.01	1.79	1,109.25	2.94	-	1,152.99
As at March 31, 2022	**2,137.13**	**8,973.39**	**74.07**	**55.04**	**283.68**	**144.57**	**11,667.88**
Additions	273.00	2,382.59	91.52	29.18	50.90	17.33	2,844.52
Disposals	-	40.11	-	7.14	0.16	-	47.41
As at March 31, 2023	**2,410.13**	**11,315.87**	**165.59**	**77.08**	**334.42**	**161.90**	**14,464.99**
Accumulated Depreciation :							
As at March 31, 2021	227.65	3,381.85	47.21	553.60	112.75	87.01	4,410.07
Depreciation charge for the year	69.42	731.22	3.72	207.21	40.73	19.88	1,072.18
Disposals	-	26.11	1.57	709.90	2.33	-	739.91
As at March 31, 2022	**297.07**	**4,086.96**	**49.36**	**50.91**	**151.15**	**106.89**	**4,742.34**
Depreciation charge for the year	74.22	811.75	8.51	3.64	45.31	14.58	958.01
Disposals	-	22.01	-	6.64	0.15	-	28.80
As at March 31, 2023	**371.29**	**4,876.70**	**57.87**	**47.91**	**196.31**	**121.47**	**5,671.55**
Net Carrying Amount :							
As at March 31, 2022	**1,840.06**	**4,886.43**	**24.71**	**4.13**	**132.53**	**37.68**	**6,925.54**
As at March 31, 2023	**2,038.84**	**6,439.17**	**107.72**	**29.17**	**138.11**	**40.43**	**8,793.44**

Notes:

A. Refer note 40 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment .

B. The title deeds of all immovable properties are held in the name of the Company.

3(b) Leases

(i) This notes provides information for lease where the Company is a lessee. The Company has leasehold factory land and leases office premises. Rental contract for office are typically made for fixed period of 12 months. There are no leases where Company is lessor.

Amount recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Carrying Amount	84.56	85.54
Reclassification of asset as 'Asset Held for Sale' (Refer note 16)	(10.55)	-
Depreciation charge of Right-of-use assets	(0.98)	(0.98)
Total	**73.03**	**84.56**

Additions to Right of Use Assets during the financial year were Rs. Nil (previous year Rs. Nil)

Lease liabilities:

Lease liabilities: In case of leasehold land, upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

(ii) Amount recognised in the statement of profit and loss.

The statement of profit and loss shows the following amount relating to lease :

Particulars	March 31, 2023	March 31, 2022
Depreciation charge of Right-of-use assets	0.98	0.98
Total	**0.98**	**0.98**

Particulars	March 31, 2023	March 31, 2022
Expense relating to short-term leases (included in other expenses)	15.82	15.82
Total	**15.82**	**15.82**

(iii) Extension and termination options:

Extension and termination options are included in property lease. These are used to maximise operational flexibility in terms of managing the assets used in the company operations. The extension and termination options held are exercisable with mutual agreement between the company and respective lessor.

(iv) The title deeds of all immovable properties are held in the name of the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

3(c) Capital work-in-progress

Particulars	Total
Balance as at April 01, 2021	2.80
Addition	1,128.70
Capitalisation	375.12
Balance as at March 31, 2022	**756.38**
Balance as at April 01, 2022	**756.38**
Addition	1,983.01
Capitalisation	2,655.59
Balance as at March 31, 2023	**83.80**

i. Capital Work in progress ageing schedule:

Particulars	As At	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	March 31, 2023	81.00	-	2.80	-	83.80
	March 31, 2022	753.58	2.80	-	-	756.38

ii. Actual cost of capital work in progress has not exceeded the original estimated cost and actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii. Work in progress majorly comprises of Plant and Equiptments which are pending installation.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

4(a) Intangible assets

Particulars	Computer Software
Gross Carrying Amount	
As at March 31, 2021	90.12
Additions	-
As at March 31, 2022	**90.12**
Additions	-
As at March 31, 2023	**90.12**
Accumulated Amortisation	
As at March 31, 2021	86.24
Amortisation charge for the year	3.60
As at March 31, 2022	**89.84**
Amortisation charge for the year	0.28
As at March 31, 2023	**90.12**
Net Carrying Amount	
As at March 31, 2022	**0.28**
As at March 31, 2023	-

4(b) Intangible assets under development

Particulars	Total
Balance as at April 01, 2021	-
Addition	-
Capitalisation	-
Balance as at March 31, 2022	-
Balance as at April 01, 2022	-
Addition	145.76
Capitalisation	-
Balance as at March 31, 2023	**145.76**

i. Intangible assets under development ageing schedule:

Particulars	As At	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	March 31, 2023	145.76	-	-	-	145.76
	March 31, 2022	-	-	-	-	-

ii. Actual cost of an Intangible assets under development has not exceeded the original estimated cost and actual timelines for completion of project has not exceeded the estimated timelines in respect of the amount reported above. Accordingly, completion schedule is not presented.

iii. Intangible assets under development comprises of software under development.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

5 Investments (at Fair Value)

Particulars	March 31, 2023		March 31, 2022	
	No. of Units	Amount	No. of Units	Amount
Equity instruments - Unquoted				
Fair value through profit or loss				
SICOM Limited (Equity Shares of Rs.10 each)	10,000	7.91	10,000	7.91
Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	7,000	0.70	7,000	0.70
Trinity Auto Component Limited (Equity Shares of Rs.10 each)	4,21,000	-	4,21,000	-
Total		**8.61**		**8.61**

Aggregate amount of unquoted investments	8.61	8.61

6 Other Financial Assets

Particulars	March 31, 2023	March 31, 2022
Unsecured-considered Good (Unless Otherwise stated)		
Security Deposits	33.03	19.32
Total	**33.03**	**19.32**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

7 Income Taxes

Tax expense recognized in the Statement of Profit and Loss

Particulars	March 31, 2023	March 31, 2022
Current tax	1,343.51	1,265.00
Deferred tax	(60.37)	48.96
Tax in respect of Earlier years		
- Current Tax	(12.40)	(28.14)
Total income tax expense	**1,270.74**	**1,285.81**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Reconciliation of effective tax rate	March 31, 2023	March 31, 2022
Profit before tax	5,181.79	5,158.47
Tax Expense Recognised in Statement of Profit and Loss	1,270.74	1,285.81
Enacted income tax rate in India	25.168%	25.168%
Computed Expected Tax Expense	1,304.15	1,298.28
Add :		
Tax effect of the amounts which are not deductiable/(taxable) in calculating taxable income		
Corporate Social Responsibility expenditure	17.37	17.11
Adjustments for prior periods	(12.40)	(28.14)
Capital Gain set-off against unutilised tax assets (refer below table on unrecognised carry forward losses)	(30.23)	(14.64)
Others	(8.15)	13.19
Total income tax expense	**1,270.74**	**1,285.81**

Consequent to reconciliation items shown above, the effective tax rate is 24.76% (2021-22: 24.93%)

(a) **Movement in Deferred tax (assets)/liabilities :**

Particulars	April 1, 2022	(Credit)/charge in Statement of Profit and Loss	March 31, 2023
Deferred tax asset on account of :			
Amounts allowable for tax purpose on payment basis	137.69	26.52	164.21
Allowance for Doubtful Debts & Others Receivables	95.72	39.32	135.04
	233.41	**65.84**	**299.25**
Deferred tax liability on account of:			
Property plant and equipment and intangible assets	(614.13)	(5.47)	(619.60)
	(614.13)	**(5.47)**	**(619.60)**
Deferred Tax Liability (Net)	**(380.72)**	**60.37**	**(320.35)**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

Movement in Deferred tax (assets)/liabilities :

Particulars	April 1, 2021	(Credit)/charge in Statement of Profit and Loss	March 31, 2022
Deferred tax asset on account of :			
Amounts allowable for tax purpose on payment basis	162.13	(24.44)	137.69
Allowance for Doubtful Debts & Others Receivables	103.77	(8.05)	95.72
Total	**265.90**	**(32.49)**	**233.41**
Deferred tax liability on account of:			
Property plant and equipment and intangible assets	(597.66)	(16.47)	(614.13)
	(597.66)	**(16.47)**	**(614.13)**
Deferred Tax Liability (Net)	**(331.76)**	**(48.96)**	**(380.72)**

Unrecognised carry forward tax losses:

The Company has accumulated capital loss of Rs. 1,112.72 Lakhs (Previous year Rs. 1,239.98 Lakhs) under the Income Tax Act. In view of, uncertainty over the Company's ability to utilise such losses in the foreseeable future, the Company has not recognised deferred tax asset against such losses.

Assessment Year (AY)	Capital Loss		
	Nature of loss	As at March 31, 2023	Loss carried forward for upto AY
2016-17	Short Term Loss	1,039.11	2024-25
2017-18	Long Term Loss	73.61	2025-26

(b) Current tax assets (net) - non-current

	March 31, 2023	March 31, 2022
Current Tax Asset (Net of Provision of Rs. 2,621.00 lakhs (March 31, 2022 : Rs. 1,278.30 lakhs))	41.94	7.27
Total	**41.94**	**7.27**

(c) Current Tax Liability (Net)

	March 31, 2023	March 31, 2022
Current Tax Liability (Net of Advance tax of Rs. 752.84 lakhs (March 31, 2022 : Rs. 754.56 lakhs))	15.61	13.89
Total	**15.61**	**13.89**

8 Other non - current assets

Unsecured-considered Good (Unless Otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Capital advances	13.11	330.65
Refund Due from Government Authorities	75.88	182.10
Less: Loss allowance for doubtful refund	(75.88)	(128.39)
Deposit with Government Authorities	68.64	68.64
Total	**81.75**	**453.00**

9 Inventories

(Cost or Net Realisable value, whichever is lower)

Particulars	March 31, 2023	March 31, 2022
Raw Materials	1,723.66	1,649.30
Work-in-progress	514.64	406.27
Finished goods	2,461.54	2,794.71
Stores and Spares	313.92	308.61
Total	**5,013.76**	**5,158.89**

Note :

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase and also include all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable cost. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business.

For information of inventories offered as security, Refer Note 38.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

10 Current Investments

Particulars	March 31, 2023	March 31, 2022
Investment in Mutual Fund (Unquoted) :		
Fair value through Profit and Loss		
Nippon India Ultra Short Duration Fund - Growth Plan (Units 29,323.027; Previous Year : 39,685.09)	1,012.02	1,302.06
HDFC Liquid Fund - Regular Plan - Growth -(Units 4,569.153; Previous Year : Nil)	200.31	-
Axis Ultra Short Term Fund - Regular Growth -(Units 7,94,695.936; Previous Year : Nil)	100.70	-
ICICI Prudential Ultra Short Term Fund - Growth (Units 12,74,460.243; Previous Year : Nil)	300.93	-
Aditya Birla Sun Life Savings Fund - Growth-Regular Plan (Units 4,18,557.711; Previous Year : Nil)	1,942.76	-
Aditya Birla Sun Life Crisil - Growth-Regular Plan (Units 38,15,083.476; Previous Year : Nil)	400.87	-
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan (Units Nil; Previous Year : 2,80,620.74)	-	955.33
Total	**3,957.59**	**2,257.39**

11 Trade receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables	6,996.20	4,930.15
Less: Loss Allowance	(227.40)	(227.40)
Total	**6,768.80**	**4,702.75**

Break-up of Security details :

Particulars	March 31, 2023	March 31, 2022
Considered good - Secured	-	-
Considered good - Unsecured	6,996.20	4,930.15
Considered having significant increase in credit risk	-	-
Considered - credit impaired	-	-
Total	6,996.20	4,930.15
Less: Loss Allowance	(227.40)	(227.40)
Total trade receivables	**6,768.80**	**4,702.75**

(a) For information about Credit Risk and Market Risk, Refer Note 34.
(b) For information of Trade receivables offered as security, Refer Note 38.

Trade Receivable Ageing :

March 31, 2023	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables	6,112.95	655.85	27.40	6.79	-	5.27	6,808.26
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**6,112.95**	**655.85**	**27.40**	**6.79**	-	**193.21**	**6,996.20**

March 31, 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables	4,380.89	353.10	1.37	1.12	0.39	5.34	4,742.21
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	**4,380.89**	**353.10**	**1.37**	**1.12**	**0.39**	**193.28**	**4,930.15**

12 Cash and Cash Equivalents

Particulars	March 31, 2023	March 31, 2022
Cash on hand	1.17	0.56
Cheques , drafts on hand	15.00	-
Balances with Banks in current accounts	821.74	472.18
Total	**837.91**	**472.74**

13 Bank balances other than Cash and Cash Equivalents above

Particulars	March 31, 2023	March 31, 2022
Balance in Dividend Account *	3.50	3.50
Total	**3.50**	**3.50**

* Incuding Rs. 3.44 lakhs (P.Y. Rs. 3.44 lakhs) pertaining to unpaid dividend.

14 Other current financial assets

Particulars	March 31, 2023	March 31, 2022
Derivative financial instruments (Refer Note 34)	3.04	18.48
Total	**3.04**	**18.48**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

15 Other current assets

Unsecured-considered Good (Unless Otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Export benefit receivables	140.54	174.93
Receivables From Government Authorities	38.96	159.48
Advances to Suppliers	7.66	26.81
Prepaid expenses	42.74	40.97
Other Receivables	11.35	1.71
Total	**241.25**	**403.90**

16 Assets classified as held for sale

Particulars	March 31, 2023	March 31, 2022
Right of use asset held for sale - Leasehold Land	10.55	-
Total	**10.55**	-

During the financial year, the Board, in its meeting held on May 12, 2022 has approved the sale of leasehold land of the Company having book value of Rs. 10.55 Lakhs. The Company entered into an Memorandum of Understanding (MoU) on May 26, 2022 with Kunde Poly Product Private Ltd and has received advance of Rs 131.52 lakhs against proposed sale. The said amount is shown under Note 24 "Other Current Liabilities". The Leasehold land is carried at the book value in accordance with Ind AS 105 - 'Non current asset held for sale and discontinuing operations' being lower of cost and fair value less cost to sale. The Company is in process of executing documents for sale.

17 Equity Share capital

a)

Particulars	March 31, 2023	March 31, 2022
Authorised		
3,00,00,000 (Previous year: 3,00,00,000) Equity Shares of Rs. 10/- each	3,000.00	3,000.00
Issued, subscribed and fully paid up		
77,56,671 (Previous year: 77,56,671) Equity Shares of Rs. 10/- each	775.67	775.67
	775.67	**775.67**

b) **Rights of Equity Shareholders**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Reconciliation of number of shares**

Particulars	March 31, 2023		March 31, 2022	
	Number of shares	Rs. lakhs	Number of shares	Rs. lakhs
Equity Shares :				
Balance as at the beginning of the year	77,56,671	775.67	77,56,671	775.67
Balance as at the end of the year	**77,56,671**	**775.67**	**77,56,671**	**775.67**

d) **Shares held by Holding Company**

Particulars	March 31, 2023	March 31, 2022
69,08,482 (Previous year 69,08,482) Equity shares of Rs.10/- each held by JK Files & Engineering Limited	690.85	690.85

e) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	March 31, 2023	March 31, 2022
JK Files & Engineering Limited	69,08,482	69,08,482
% of holding	89.07%	89.07%
J K Investors (Bombay) Limited	4,96,165	4,96,165
% of holding	6.40%	6.40%

f) During preceeding five years, no shares were issued by the Company for consideration being other than cash.

g) **Shareholdings of Promoters as at March 31, 2023 :**

Sr. No.	Promoters	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited - Nominee	120	0.00%*	-
2	JK Files & Engineering Limited	69,08,482	89.07%	-
3	J K Investors (Bombay) Limited	4,96,165	6.40%	-

Shareholdings of Promoters as at March 31, 2022 :

Sr. No.	Promoters	Refer Note	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited (along with its nominee)		120	0.00%*	100%
2	JK Files & Engineering Limited	48	69,08,482	89.07%	100%
3	J K Investors (Bombay) Limited		4,96,165	6.40%	-

* Percentage of total holding is 0.0015%

h) Equity Shares reserved for issue under options: Information relating to Employee Stock Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 47.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
REAL

(All amounts are in Rs. lakhs, unless stated otherwise)

18 Other Equity

Particulars	Capital Reserve on Amalgamation	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	Total
As at March 31, 2021	**610.35**	**993.60**	117.21	**12,721.26**	**280.72**	**14,723.14**
Profit for the year	-	-	-	3,872.65	-	3,872.65
Other Comprehensive Income for the year	-	-	-	39.55	-	39.55
Dividend Paid	-	-	-	(7,213.70)	-	(7,213.70)
Employee Stock Option Expenses	-	-	44.98	-	-	44.98
As at March 31, 2022	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**11,466.61**
Profit for the year	-	-	-	3,911.05	-	3,911.05
Other Comprehensive Income for the year	-	-	-	(2.45)	-	(2.45)
Employee Stock Option Plan Expenses	-	-	42.96	-	-	42.96
As at March 31, 2023	**610.35**	**993.60**	**205.15**	**13,328.35**	**280.72**	**15,418.17**

Nature and Purpose of Reserves :

a) **Securities Premium :**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

b) **Share Options Outstanding Account**

The Share Options outstanding Account is used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019' (Refer Note 47).

c) **Capital Reserve**

Capital Reserve was created on account of merger of Trinity India Limited with the Company pursuant to the Scheme of Amalgamation in the financial year 2012-13

d) **Retained Earnings**

Retained Earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

e) **General Reserves**

General Reserves is a free reserve, retained from Company's profits. The reserves can be utilised as per the provisions of the Companies Act, 2013.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

19 Non-Current Borrowings

Particulars	March 31, 2023	March 31, 2022
Unsecured		
Interest free Deferred Sales tax payment liabilities	-	9.69
Less: Current maturity of long term borrowings (included in Note 20)	-	9.69
Total	-	-

20 Current Borrowings

Particulars	Terms of Repayment	Interest Rate as at year end	March 31, 2023	March 31, 2022
Secured				
Cash Credit	Repayable on Demand	Nil (P.Y. 9.15%)	-	0.33
Packing credit	Repayable on Demand	Nil (P.Y. 2.50% to 7.65%)	-	748.45
Buyers Credit	Repayable Rs. 163.09 lakhs on Dec 1, 2023; Rs. 196.92 lakhs on June 27, 2023 Rs. 359.6 lakhs on April 12, 2023	0.90% to 4.11% (P.Y. 0.80%)	724.43	154.08
Current maturities of long-term debt (Refer Note 19)			-	9.69
			724.43	912.55
Less :				
Interest accrued but not due on borrowings (included in Note 22)			4.82	1.00
Total			**719.61**	**911.55**

(a) The carrying amount of financial and non-financial assets held as security for secured borrowings are disclosed in Note 38.

(b) For information about Net Debt reconciliation Refer Note 44.

(c) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(d) The above borrowings have been utilized by the Company for meeting its requirement as per the terms of the loans and have not been further advanced or loaned by the Company to any other parties.

21 Trade payables

Particulars	March 31, 2023	March 31, 2022
Trade payables : Micro, Small and Medium Enterprises	-	-
Trade payables : Related parties (Refer Note 42)	119.75	2.57
Trade payables : Others	7,306.77	6,391.52
Total	**7,426.52**	**6,394.09**

(a) For information about Micro, Small and Medium Enterprises disclosure Refer Note 36.

(b) For information about Liquidity Risk and Market Risk Refer Note 34.

Trade Payables Ageing :

Particularls	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	More than 1 year upto 2 years	More than 2 year upto 3 years	More than 3 years	
Undisputed :							
As at March 31, 2023	898.10	4,399.11	2,089.16	1.13	2.04	36.98	7,426.52
As at March 31, 2022	668.22	3,810.19	1,876.12	2.04	21.35	16.17	6,394.09

There are no disputed Trade Payables.

22 Other Current financial liabilities

Particulars	March 31, 2023	March 31, 2022
Unpaid Dividend	3.44	3.44
Interest accrued but not due on borrowings (Refer Note 20)	4.82	1.00
Derivative financial instruments (Refer Note 34)	19.98	0.98
Salary and Wages payable	484.80	448.09
Payables to Related Parties (Refer Note 42)	-	78.73
Creditors for Capital Goods	33.72	17.38
Other Deposits	18.74	21.17
Total	**565.50**	**570.79**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Price Waterhouse Chartered Accountants LLPIN AAC - 5001 FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. RPAL

23 Provisions

Particulars	March 31, 2023	March 31, 2022
Provision for employee benefits (Refer Note 43)		
a) Provision for Gratuity	404.64	379.48
b) Provision for Compensated Absences	132.35	132.47
Total	**536.99**	**511.95**

24 Other Current liabilities

Particulars	March 31, 2023	March 31, 2022
Contract Liabilities*		
Advance received against sale of land (Net of Rs. 8.21 lakhs paid against execution of transfer deed)	131.52	-
Others	69.17	136.66
Statutory Dues	62.35	69.42
Other Payables	56.30	41.26
Total	**319.34**	**247.34**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

25 Revenue from Operations

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Revenue from contracts with customer		
Sale of Products - recognised at a point in time		
Manufactured Goods - Domestic	14,447.75	10,572.52
Manufactured Goods - Export	20,016.26	18,099.24
Total (A)	34,464.01	28,671.76
Other operating revenue		
(i) Export Incentives	407.88	378.75
(ii) Process waste sale	2,590.82	2,048.00
(iii) Others	18.03	103.34
Total (B)	3,016.73	2,530.09
Total (A+B)	**37,480.74**	**31,201.85**

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from sale of products in the following geographical regions:

Revenue from contracts with customer (Sale of Products)	For the Year ended March 31, 2023	For the Year ended March 31, 2022
India	14,447.75	10,572.52
America (North and South)	7,440.51	6,393.28
Europe	9,686.78	9,067.63
Asia (excluding India)	2,862.13	2,596.51
Australia	26.84	41.82
Total	**34,464.01**	**28,671.76**

The Company derives revenue from sale of following products :

Product Name	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Flywheel Starter Ring Gears	25,271.94	20,952.56
Water Pump Bearings	6,221.80	5,246.10
Flexplates	2,818.74	2,278.57
Others	151.53	194.53
Total	**34,464.01**	**28,671.76**

26 Other income

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Dividend income	0.04	0.04
Interest income		
- On Financial Assets at amortised cost	-	214.57
- On Vat Refund	22.26	-
Net Gain on :		
(i) Variation in Foreign Exchange Rates	42.30	158.31
(ii) Sale/Discard of Property, Plant and Equiptment	-	434.68
(iii) Sale and Fair Valuation of Investments measured at fair value through profit or loss	150.52	65.22
Compensation from Job worker	107.64	173.22
Miscellaneous Income	43.99	147.67
Total	**366.75**	**1,193.72**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2023
(All amounts are in Rs. lakhs, unless stated otherwise)

27 Cost of raw materials consumed

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening Stock	1,649.30	1,385.35
Purchases	15,562.27	12,668.07
	17,211.57	14,053.42
Less : Closing Stock	(1,723.66)	(1,649.30)
Total	**15,487.91**	**12,404.12**

28 Changes in inventories of finished goods and work-in-progress

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Opening inventories		
Finished goods	2,794.71	2,685.93
Work-in-progress	406.27	571.71
	3,200.98	**3,257.64**
Closing inventories		
Finished goods	2,461.54	2,794.71
Work-in-progress	514.64	406.27
	2,976.18	**3,200.98**
Total	**224.80**	**56.66**

29 Employee benefits expense

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries, wages, bonus etc.	2,681.26	2,469.71
Contribution to Gratuity Fund (Refer note 43)	71.76	70.03
Contribution to provident funds and other funds (Refer Note 43)	136.28	130.52
Employee Stock Option Plan Expenses (Refer Note 47)	42.96	44.98
Workmen and Staff welfare expenses	172.77	111.59
Total	**3,105.03**	**2,826.83**

30 Finance costs

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Interest expense on Current borrowings	20.25	53.88
Total	**20.25**	**53.88**

31 Depreciation and amortization expense

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Depreciation on Property, Plant and Equipment	958.01	1,072.18
Depreciation of right of use assets (Refer Note 3(b))	0.98	0.98
Amortization on Intangible assets	0.28	3.60
Total	**959.27**	**1,076.76**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

32 Other Expenses :

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Manufacturing and Operating Costs (Refer Note (a) below)	8,406.23	7,304.02
Other expenses (Refer Note (b) below)	4,127.24	3,514.84
Total	**12,533.47**	**10,818.85**

(a) Manufacturing and Operating Costs

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Consumption of stores and spare parts	2,536.88	2,337.17
Power and fuel	1,820.43	1,506.61
Job work charges	1,768.58	1,580.56
Contract Labour Charges	1,880.76	1,550.00
Repairs to machinery	133.78	117.07
Repairs to building	71.92	53.13
Other Manufacturing and Operating expenses	193.88	159.48
Total	**8,406.23**	**7,304.02**

(b) Other expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Rent	15.82	15.82
Insurance	100.52	84.64
Rates and Taxes	3.05	3.93
Commission to selling agents	33.61	21.62
Freight, Octroi etc.	2,629.88	2,487.23
Legal and Professional Expenses*	110.05	128.56
Travelling & Conveyance	134.91	77.56
Bad Debts written off	-	36.26
Less : Provision thereagainst	-	(36.26)
Deposits Written off	10.89	0.24
Less : Provision thereagainst	(10.89)	-
Information Technology Outsourcing Cost	29.71	24.57
Security Expenses	97.39	95.32
Director's Sitting Fees & Commission	34.45	44.75
Net Loss on sale/discard of Property, Plant and Equipment	9.31	-
Expenditure towards Corporate Social Responsibility (Refer Note 33)	69.00	68.00
Facilities Charges (Refer Note 42(B))	604.00	217.00
Miscellaneous Expenses	255.54	245.60
Total	**4,127.24**	**3,514.84**

*** Includes Auditors' remuneration and expenses (net of credit for taxes) :**

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
- Audit Fees	15.25	14.50
- Limited Review Fees	-	2.75
- Certification Fees	0.20	0.60
- Reimbursement of out of pocket expenses	0.11	0.01
Total	**15.56**	**17.86**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

33

a) Corporate Social Responsibility expenditure:

As per section 135 of the Companies Act,2013, a corporate social responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specifiedin Schedule VII of the Companies Act, 2013. The utilization is done by way of contribution towards various activities

Balance as at	March 31, 2023	March 31, 2022
a. Amount required to be spent s per Section 135 of the Companies Act,2013	68.92	68.00
b. Amount Spent during the year :		
(i) Construction/Acquisition of an asset		-
(ii) On purpose other than (i) above	69.00	68.00
c. Shortfall at the end of the year	-	-
d. Total of the previous years shortfall	-	-
e. reason for shortfall	-	-
f. Nature of CSR Activities	Refer table below	Refer table below
g. Details of related party transactions	-	-
h. where a provision is made with respect to the liability incurred by entering into contractual obligation	-	-

Details of project in which CSR is expensed out :

Name of the Project	March 31, 2023	March 31, 2022
Contribution made to :		
Sponsoring up to 6000 Covid-19 vaccines to general public	-	40.50
Purchase of an ambulance for providing better healthcare to the general public at large	-	20.00
Purchase of computers and provide training to underprivileged children	-	7.50
Har Ghar Tiranga Campaign	25.00	-
Establish and Run Mobile veterinary Unit	25.00	-
Construction of Sensory Integration unit for special children	7.50	-
Holistic Rehabilitation of cancer patients, survivors	6.00	-
Sponsorship and undertaking programmes in libraries	5.50	-
Total	**69.00**	**68.00**

Price Waterhouse Chartered Accountants LLPIN AAC - 5001 FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD.

34 Financial risk management objectives and policies

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of head of various departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	March 31, 2023	March 31, 2022
Borrowings bearing variable rate of interest	719.61	901.86

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

Particulars	March 31, 2023	March 31, 2022
50 bp increase in interest rate - decrease in profits	(4.05)	(4.88)
50 bp decrease in interest rate - Increase in profits	4.05	4.88

ii. Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by foreign exchange forward contracts in the respective currencies.

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date (Foreign currency In lakhs)

Particulars	Currency	March 31, 2023	March 31, 2022
Forward contracts to sell USD	USD	11.00	13.00
Forward contracts to sell EURO	EURO	9.30	6.37

All the derivative instruments have been acquired for hedging purposes.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RAJAL

RING PLUS AQUA LIMITED

Notes to the Financial Statements as at and for the year ended March 31, 2023

(All amounts are in Rs. lakhs, unless stated otherwise)

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2023

(Foreign currency in lakhs)

Particulars	YEN		USD		EURO		GBP		REAIS		RINGGIT	
	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR
Trade Receivable	-	-	16.29	1,339.11	22.94	2,056.07	0.10	10.54	-	-	-	-
Covered by forward contracts	-	-	11.00	904.45	9.30	833.65	-	-	-	-	-	-
Net Exposure	-	-	**5.29**	**434.66**	**13.64**	**1,222.41**	**0.10**	**10.54**	-	-	-	-
Trade Payable	-	-	**1.21**	**99.78**	**0.08**	**7.42**	-	-	-	-	-	-
Cash and Bank balances - Net Exposure	-	-	*	*	*	*	*	*	*	*	*	*
Buyers Credit	**580.00**	**359.60**	-	-	4.02	**360.01**	-	-	-	-	-	-

As at 31st March 2022

Particulars	CHF		YEN		USD		EURO		GBP		REAIS		RINGGIT	
	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR
Trade Receivable	-	-	-	-	10.90	826.21	16.85	1,426.54	0.09	8.76	-	-	-	-
Covered by forward contracts	-	-	-	-	10.90	826.21	6.37	539.57	-		-	-	-	-
Net Exposure	-	-	-	-	-	-	10.48	10.48	**0.09**	**0.09**	-	-	-	-
Trade Payable	*	*	**0.01**	**0.01**	**0.81**	-	*	-	-	-	-	-	-	-
Cash and Bank balances - Net Exposure	-	-	-	-	*	*	*	*	*	*	*	*	*	*
Buyers Credit	-	-	-	-	-	-	**1.83**	**154.93**	-	-	-	-	-	-

*Amount is below the rounding off norms adopted by the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

(All amounts are in Rs. lakhs, unless stated otherwise)

Foreign Currency Risk Sensitivity

A change of 5% in Unhedged Foreign currency would have following Impact on profit before tax

Particulars	March 31, 2023		March 31, 2022	
	5% Increase	5% decrease	5% Increase	5% decrease
EURO	42.74	(42.74)	44.35	(44.35)
CHF	*	*	*	*
REAIS	*	*	*	*
RINGGIT	*	*	*	*
USD	16.75	(16.75)	(3.07)	3.07
YEN	(17.98)	17.98	*	*
GBP	0.53	(0.53)	0.44	(0.44)
Increase / (decrease) in profit or loss	42.03	(42.03)	41.72	(41.72)

*Amount is below the rounding off norms adopted by the Company.

iii Price Risk

Exposure

Security price risk is the risk that the fair value of

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	March 31, 2023	March 31, 2022
NAV - Increases by 1% *	39.58	22.57
NAV - Decreases by 1% *	(39.58)	(22.57)

* Holding all other variables constant

B. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company is exposed to credit risk from its operating activities (primarily trade receivables), investment in mutual funds, balances, derivatives and deposit with banks, security deposits, investment in mutual funds, balances, derivatives and deposit with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent, other bank balances and investments

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks and financial institutions. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. The expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

Movement in allowances for expected credit losses on trade receivables

Particulars	March 31, 2023	March 31, 2022
Opening provision	227.40	270.15
Add:- Loss Allowance	-	-
Less:- Write back against money received	-	(6.49)
Less:- Allowances utilised against bad debts	-	(36.26)
Closing provisions	**227.40**	**227.40**

During the year, the Company made no write-offs of trade receivables

Ageing	Expected credit loss %	
	March 31, 2023	March 31, 2022
Not Due	0%	0%
0-90 days	1%	0%
91-180 days	37%	21%
181-270 days	74%	63%
271-360 days	100%	100%
more than 360 days	100%	100%

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

C. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

Particulars	March 31, 2023	March 31, 2022
Variable Borrowing - Cash Credit expires within 1 year	2,450.39	2,397.69

Maturity patterns of borrowings

Particulars	As at March 31, 2023			
	0-1 years	1-5 years	beyond 5 years	Total
Short term borrowings (excluding current maturity of long term debt)	719.61	-	-	719.61
Accrued Interest	4.82	-	-	4.82
Total	**724.43**	-	-	**724.43**

Particulars	As at March 31, 2022			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowing (Including current maturity of long term debt)	9.69	-	-	9.69
Short term borrowings (excluding current maturity of long term debt)	901.86	-	-	901.86
Accrued Interest	1.00	-	-	1.00
Total	**912.55**	-	-	**912.55**

Maturity patterns of Other Financial Liabilities

As at March 31, 2023	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade Payables	7,426.52	-	-	-	7,426.52
Unpaid Dividend	3.44	-	-	-	3.44
Other Current financial liabilities	557.24	-	-	-	557.24
Total	**7,987.20**	-	-	-	**7,987.20**

As at March 31, 2022	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	6,394.09	-	-	-	6,394.09
Unpaid Dividend	3.44	-	-	-	3.44
Other Current financial liabilities	566.35	-	-	-	566.35
Total	**6,963.88**	-	-	-	**6,963.88**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
REAL

35 Capital risk management

A Risk Management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic environments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and bank balances divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

Particulars	March 31, 2023	March 31, 2022
Net Debt*	(118.30)	438.80
Equity	16,193.84	12,242.28
Gearing Ratio	(0.73)	3.58

* Net Debt is derived by netting Cash & Bank Balances by Total Borrowings.

Negative amount represents excess of cash & cash equivalents over borrowings.

B Dividends

The Company has not declared and paid any dividend during the year (P.Y. Interim Dividend on Equity Shares of Rs. 93 per fully paid equity share i.e. Rs. 7,213.70 lakhs).

36 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end	-	-
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	-	-
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	-	-

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
REAL

(All amounts are in Rs. lakhs, unless stated otherwise)

37 Earnings per share

	Particulars	March 31, 2023	March 31, 2022
	Earnings Per Share has been computed as under :		
A	Profit for the year for computing Earnings Per Share	3,911.05	3,872.65
B	Weighted average number of equity shares outstanding – For Basic EPS (Face Value – Rs.10 per share)	77,56,671	77,56,671
C	Add : Weighted average of Employees Stock Option outstanding (Face Value – Rs.10 per share)	96,397	1,08,232
D	Weighted average number of equity shares outstanding – For Diluted EPS (Face Value – Rs.10 per share)	78,53,068	78,64,903
	Basic Earnings Per Share (A/B)	50.42	49.93
	Diluted Earnings Per Share (A/D)	49.80	49.24

38 Assets Pledged as security

The carrying amounts of assets Pledged as security for current borrowings are:

Particulars	March 31, 2023	March 31, 2022
Current Assets		
Trade receivables	6,768.80	4,702.75
Inventories	5,013.76	5,158.89
Total assets Pledged as security	**11,782.56**	**9,861.64**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

39 Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2023	March 31, 2022
Claim against the company not acknowledged as debt		
Sales Tax	2.72	39.89
Income Tax	14.26	14.26
Total	**16.98**	**54.15**

Other Matters - Provident Fund :

The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

40 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2023	March 31, 2022
Property, plant and equipment	153.12	1,105.09
Less: Capital advances	13.11	330.65
Net Capital commitments	**140.01**	**774.44**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

41 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at March 31, 2023

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Investment	8.61	3,957.59	3,966.20	-	3,957.59	8.61	3,966.20	-	3,966.20	3,966.20
Trade receivables	-	6,768.80	6,768.80	-	-	-	-	-	6,768.80	6,768.80
Cash and Cash Equivalents	-	837.91	837.91	-	-	-	-	-	837.91	837.91
Bank Balances Other than Cash and Cash Equivalents	-	3.50	3.50	-	-	-	-	-	3.50	3.50
Other Financial Asset	33.03	3.04	36.07	-	3.04	33.03	36.07	-	0.00	36.07
	41.64	**11,570.84**	**11,612.48**	-	**3,960.63**	**41.64**	**4,002.27**	-	**11,576.42**	**11,612.48**
Financial Liabilities										
Borrowings	-	719.61	719.61	-	-	-	-	-	719.61	719.61
Trade Payables	-	7,426.52	7,426.52	-	-	-	-	-	7,426.52	7,426.52
Other Financial Liabilities	-	565.50	565.50	-	19.98	-	19.98	-	545.52	565.50
	-	**8,711.63**	**8,711.63**	-	**19.98**	-	**19.98**	-	**8,691.65**	**8,711.63**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets and Liabilities as at March 31, 2022

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Investment	8.61	2,257.39	2,266.00	-	2,257.39	8.61	2,266.00	-	2,266.00	2,266.00
Trade receivables	-	4,702.75	4,702.75	-	-	-	-	-	4,702.75	4,702.75
Cash and Cash Equivalents	-	472.74	472.74	-	-	-	-	-	472.74	472.74
Bank Balances Other than Cash and Cash Equivalents	-	3.50	3.50	-	-	-	-	-	3.50	3.50
Other Financial Assets	19.32	18.48	37.80	-	37.80	-	37.80	-	37.80	37.80
	27.93	**7,454.86**	**7,482.79**	**-**	**2,295.19**	**8.61**	**2,303.80**	**-**	**7,482.79**	**7,482.79**
Financial Liabilities										
Borrowings	-	911.55	911.55	-	-	-	-	-	911.55	911.55
Trade Payables	-	6,394.09	6,394.09	-	-	-	-	-	6,394.09	6,394.09
Other Financial Liabilities	-	570.78	570.78	-	0.98	-	0.98	-	569.80	570.78
	-	**7,876.42**	**7,876.42**	**-**	**0.98**	**-**	**0.98**	**-**	**7,875.44**	**7,876.42**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

RING PLUS AQUA LTD.
RPAL

42 Related Parties Disclosures as per Ind AS 24 :

A. Relationships :

i Related parties where control exists, irrespect of whether transaction has occurred or not:

(a) **Ultimate holding Company**
- Raymond Limited

(b) **Holding Company**
- JK Files & Engineering Limited (Formerly known as JK Files (I) Ltd.) (w.e.f. November 11, 2021)
- Scissors Engineering Products Limited (upto November 10, 2021)

II. Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.

Fellow Subsidiary Companies
- Scissors Engineering Products Limited (w.e.f. November 10, 2021)
- Raymond Apparel Limited
- JK Investors (Bombay) Limited
- JK Files & Engineering Limited (Formerly known as JK Files (I) Ltd.)(upto November 11, 2021)

iii Key Management Personnel:
- Mr. V. Balasubramanian – Non-Executive Director (Whole Time Director upto November 15, 2021)
- Mr. Ravikant Uppal - Non-Executive Director
- Mr. Bhuwan Kumar Chaturvedi – Non-Executive Director (w.e.f. May 03, 2021)
- Mr. Parthiv Kilachand - Independent Director
- Mr. Shiv Surinder Kumar - Independent Director (w.e.f. June 19, 2021)
- Mr. Satish Chand Mathur - Independent Director (w.e.f. September 15, 2021)
- Ms. Rashmi Mundada - Independent Director (w.e.f. March 3, 2023)

iv Trust

Ring Plus Aqua Limited - Employee Gratuity Scheme.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

B. **Entities where control /significant influence by KMP's and their relatives exists and with whom transaction have taken place.**

Nature of transactions	JK Files & Engineering Limited	Raymond Limited	Scissors Engineering Products Ltd	JK Investor Bombay Ltd	Raymond Apparel Ltd	Key Management personnel
Other Income						
Interest Income	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(209.59)*	- *(-)*
Sale of Property, Plant and Equipment	- *(-)*	- *(-)*	- *(-)*	- *(970.87)*	- *(-)*	- *(-)*
Miscellaneous Income	- *(-)*	- *(-)*	- *(-)*	- *(19.22)*	- *(-)*	- *(-)*
Purchases						
Stores and Spares	4.82 *(6.79)*	- *(1.81)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Expenses						
Rent	- *(-)*	*12.81* *(12.81)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Facilities Charges	252.00 *(-)*	*352.00* *(217.00)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Director Sitting Fees & Commission #	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	34.45 *(44.75)*
Short-term employee benefit*#	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(135.86)*
Post-employment benefit*#	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(3.82)*
Legal and Professional Expenses #	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*	16.00 *(16.00)*
Miscellaneous expenses	4.25 *(12.56)*	68.14 *(37.13)*	- *(-)*	- *(35.20)*	- *(-)*	- *(-)*
Finance						
Repayment of Inter Corporate loan Given	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(5,000.00)*	- *(-)*
Dividend Paid	- *(-)*	- *(-)*	- *(6,425.00)*	- *(461.43)*	- *(-)*	- *(-)*
Outstanding						
Trade Payable	45.82 *(0.67)*	73.93 *(1.90)*	- *(-)*	- *(-)*	- *(-)*	21.50 *(-)*
Other Current Financial Liability	- *(0.41)*	- *(58.32)*	- *(-)*	- *(-)*	- *(-)*	- *(20.00)*

(Previous year figures are in brackets)

 # Payment to Key Management personnel include :

Particulars	March 31, 2023	March 31, 2022
Advisory Fees		
Ravikant Uppal	16.00	16.00
Total	**16.00**	**16.00**
Short-term employee benefit & Post-employment benefit		
V. Balasubramanian	-	139.68
Total	**-**	**139.68**
Directors Sitting Fees & Commission		
Ravikant Uppal	6.00	8.75
B.K.Chaturvedi	7.65	9.75
Parthiv Kilachand	9.00	11.50
Shiv Surinder Kumar	7.13	11.00
Satish Chand Mathur	4.67	8.75
Total	**34.45**	**49.75**

*The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. RPAL

43 Post retirement benefit plans

I. DEFINED CONTRIBUTION PLAN:

The Company has defined contribution plan. Contributions are made to provident fund and ESIC for employees as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year are :

Particulars	March 31, 2023	March 31, 2022
Contribution to Provident Fund	133.33	126.29
Contribution to E.S.I.C.	2.95	4.23
Total Contribution to provident funds and other funds	**136.28**	**130.52**

II. DEFINED BENEFIT PLANS (GRATUITY) :

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs. 20 lakhs (Previous year Rs. 20 lakhs). The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

A. Balance Sheet

Particulars	March 31, 2023	March 31, 2022
Present value of plan liabilities	906.00	962.40
Fair value of plan assets	501.36	582.91
Plan liability net of plan assets	404.64	379.49

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2022	582.91	962.40	379.49
Current service cost	-	45.27	45.27
Return on plan assets excluding Interest Income	(20.40)	-	20.40
Interest cost	-	67.18	67.18
Interest income	40.69	-	(40.69)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(30.21)	(30.21)
Actuarial (gain)/loss arising from experience adjustments	-	13.08	13.08
Employer contributions	49.88	-	(49.88)
Benefit paid from fund	(151.72)	(151.72)	-
As at 31st March 2023	**501.36**	**906.00**	**404.64**

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2021	566.98	954.29	387.31
Current service cost	-	45.09	45.09
Return on plan assets excluding Interest Income	12.54	-	(12.54)
Interest cost	-	61.46	61.46
Interest income	36.51	-	(36.51)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	0.24	0.24
Actuarial (gain)/loss arising from changes in financial assumptions	-	(25.99)	(25.99)
Actuarial (gain)/loss arising from experience adjustments	-	(14.57)	(14.57)
Employer contributions	25.00	-	(25.00)
Benefit paid from fund	(58.12)	(58.12)	-
As at 31st March 2022	**582.91**	**962.40**	**379.49**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
★ Mumbai ★

RING PLUS AQUA LTD.
RPAL
★

C. The liabilities are split between different categories of plan participants as follows:

Particulars	March 31, 2023	March 31, 2022
No of Members in Service	450	485
The weighted average duration of the defined benefit plans	9	9
The Company expects to contribute to the funded plans in next 12 months (Rs. Lakhs)	85.82	85.45

D. **Statement of Profit and Loss**

Particulars	March 31, 2023	March 31, 2022
Employee Benefit Expenses:		
Current service cost	45.27	45.09
Interest cost	26.49	24.94
Net impact on the Profit before tax	71.76	70.03
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	20.40	(12.54)
Actuarial (Gains)/Losses on Obligation For the Period	(17.13)	(40.31)
Net impact on the Other Comprehensive Income before tax	**3.27**	**(52.85)**

E. **Defined benefit plans Assets**

Particulars	March 31, 2023	March 31, 2022
Insurer Managed Fund	501.36	582.91

F. **Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet date, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date

The significant actuarial assumptions were as follows:

Particulars	March 31, 2023	March 31, 2022
Financial Assumptions		
Discount rate	7.44%	6.98%
Salary Escalation Rate*	7.50%	6.5% to 7.5%
Salary Attrition Rate	For Workers 2% For Staff 5% to 15%	For Workers 2% For Staff 5% to 15%
Demographic Assumptions :		
Mortality in service	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

* Taking into account inflation, seniority, promotion and other relevant factor.

G. **Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Current Year	Increase in assumption	Decrease in assumption
Discount rate: (+1% and -1%)	(60.39)	67.84
Salary Escalation Rate (+1% and -1%)	66.52	(60.31)
Salary Attrition Rate (+1% and -1%)	(0.37)	0.39

Previous Year	Increase in assumption	Decrease in assumption
Discount rate: (+1%and -1%)	(65.76)	74.08
Salary Escalation Rate (+1%and -1%)	71.88	(65.24)
Salary Attrition Rate (+1% and -1%)	(2.23)	2.44

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

H. 1. The defined benefit obligations shall mature after year as follows:

Year ending 31 March,	March 31, 2023	March 31, 2022
1st Following Year	51.82	70.70
2nd Following Year	48.37	47.79
3rd Following Year	74.22	65.48
4th Following Year	68.97	77.91
5th Following Year	89.38	66.59
Sum of 6 to 10	607.17	579.66

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset volatility Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

2. Compensated Absences :

The amount of provision of Rs. 132.35 lakhs (March 31, 2022 Rs. 132.47 lakhs) carried out by an independent actuary based on assumptions referred in F above, is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligation.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

44 Net Debt Reconciliation :

Particulars	March 31, 2023	March 31, 2022
Cash and Bank Balances	837.91	472.74
Current borrowings	(719.61)	(911.55)
Net debt	**(118.30)**	**438.80**

Particulars	Other Asset	Liabilities from financing activities		Total
	Cash and Bank Balances	Non-current borrowings	Current borrowings	
Net debt as at March 31, 2021	**221.35**	**(9.69)**	**(1,075.65)**	**(863.99)**
Net Cashflows	251.39	9.69	164.10	425.18
Interest expenses	-	-	(53.88)	(53.88)
Interest paid	-	-	53.88	53.88
Net debt as at March 31, 2022	**472.74**	-	**(911.55)**	**(438.81)**
Net Cashflows	365.17	-	195.76	560.93
Interest expenses	-	-	(20.25)	(20.25)
Interest paid	-	-	16.43	16.43
Net debt as at March 31, 2023	**837.91**	-	**(719.61)**	**118.30**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

45 Segment Disclosure :

Business Segment

Identification of Segments:

The Directors of the Company (chief operating decision maker) monitor the operating results of its Business segment separately for the purpose of decision making about resource allocation and performance allocation. The Company's business activity falls within a single primary business segment of manufacture of auto components. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

Further, no single customer contributes to more than 10% of the company's revenue.

Entity wide disclosure

(a) Information about the product and services. The Company's Product falls under single product category i.e. Automobile components

(b) Entity wide disclosure -Information in respect of geographical area is as under :

	India		America		Europe		Asia		Australia		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue from contracts with customer *	14,447.75	10,572.52	7,440.51	6,393.28	9,686.78	9,067.63	2,862.13	2,596.51	26.84	41.82	34,464.01	28,671.76
Carrying cost of segment non-current asset**	9,219.72	8,227.03	-	-	-	-	-	-	-	-	9,219.72	8,227.03

Information about major customers - Revenue of approximately Rs. 10,298.98 lakhs (P.Y. Rs. 8,608.22 lakhs) were derived from a single external customer.

* Based on location of customer

** Excluding financial asset and deferred tax asset

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

46 Analytical Ratios :

Sr. No.	Ratios	Unit of measurement	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance March 31, 2023 vs March 31, 2022
1	Current Ratio	in times	Current Asset	Current Liabilities	1.76	1.46	20%
2	Debt-Equity Ratio	in times	Current Borrowings	Total Equity (Equity Share Capital + Other Equity)	0.04	0.07	(40%)
3	Debt Service Coverage Ratio	in times	Earnings available for debt service (profit for the year + depreciation and amortisation expesnes+ finance cost)	Finance cost + Principal repayment of long term borrowings during the year	241.53	62.76	285%
4	Return on Equity Ratio	in percentages	Profit for the year	Average Equity	28%	28%	(1%)
5	Inventory turnover ratio	in times	Cost of Raw Material Consumed + Changes in inventories of finished goods and work-in-progress + Manufacturing cost	Average Inventory	4.74	3.92	21%
6	Trade Receivables turnover ratio	in times	Revenue from Operation	Average Trade Receivables	6.01	6.98	(14%)
7	Trade payables turnover ratio	in times	Cost of Raw Materials Consumed+ Manufacturing and operation expenses + Other Expenses	Average Trade Payables	4.07	3.66	11%
8	Net capital turnover ratio	in times	Revenue from Operations	Current Asset - Current Liabilities	4.76	7.23	(34%)
9	Net profit ratio	in percentages	Profit for the year	Revenue from Operations	11%	14%	(16%)
10	Return on Capital employed	in percentages	Profit before tax + Finance cost	Equity + Borrowings	30%	39%	(22%)
11	Return on investment	in percentages	Net gain on Sale and Fair Valuation of Investments measured at fair value through profit or loss	Average Current Investment + Average Non Current Investment	5%	4%	32%

Reasons for variance of more than 25% in above ratios :

1 Debt Service Coverage Ratio : Variation is due to repayment of non-current borrowing as well as finance cost
2 Debt-Equity Ratio : Variation is due to higher profitability and reduction in debt.
3 Net capital turnover ratio : Variation is due to increase in sale and increase in net working capital.
4 Return on investment : Variation is due to deployment of investment in growth mutual funds.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

47 **Share Based Payments :**

A. The company has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan is designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under ESOP 2019, the company has granted 111,947 stock options for fair value of option determined on the date of grant.

Fair Value of options granted :

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The options are granted for no consideration and vest as per vesting period mentioned below.

Summary of options granted under the plan :

	March 31, 2023	March 31, 2022
Opening balance	1,08,232	1,11,947
Granted during the year	-	-
Exercised during the year	-	-
Forfeited during the year	11,835	3,715
Closing balance	96,397	1,08,232

The model inputs for options granted included :

Date of grant	26-Apr-19
Number of options granted	1,11,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of Initial Public Offering (IPO) of the Company as under : 40% of Options at the time of Company's IPO 20% of Options after completing 1 year of Company's IPO 20% of Options after completing 2 year of Company's IPO 20% of Options after completing 3 year of Company's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277.00
Fair Value of Shares Option	271.05
Expected Price volatility of the Company's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share.

The effect of Share Based Payments on the Company's Statement of Profit or Loss for the period and on its Financial Position :

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

Particulars	March 31, 2023	March 31, 2022
Employee Benefit Expenses	42.96	44.98

48 Effective October 31, 2021, Scissors Engineering Products Ltd. (SEPL) has become a wholly owned subsidiary of JK Files & Engineering Limited. Subsequently, SEPL transferred 89.07% of equity share capital of Ring Plus Aqua Limited (RPAL), the then subsidiary of SEPL, at Nil consideration to JK Files & Engineering Limited. Accordingly, effective November 11, 2021, RPAL has become a direct subsidiary of JK Files & Engineering Limited.

49 The Company during the financial year offered 'voluntary retirement benefits' (VRS scheme) to 29 employees, who have opted for the scheme. The Company has determined and paid Rs. 334.97 lakhs to eligible employees.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
★ Mumbai ★

RING PLUS AQUA LTD.
RPAL
★

50 Additional regulatory information required by Schedule III :

(i) Details of benami property held :

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of PP&E, intangible asset and investment property :

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets.

(iii) Wilful defaulter :

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

(iv) Relationship with struck off companies :

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies :

The compliance with the number of layers prescribed under the Companies Act, 2013 is not applicable to the Company.

(vi) Compliance with approved scheme(s) of arrangements :

The Company has not entered into any scheme of arrangement which has an accounting impact.

(vii) Utilisation of borrowed funds and share premium :

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

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

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

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

A. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

B. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The borowings obtained by the Company from the Banks have been utilised for the purpose for which such loans were taken.

(viii) Undisclosed income :

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Utilisation of borrowings availed from banks and financial institutions :

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(x) Details of crypto currency or virtual currency :

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

51 The Company has approved its financial statements in its Board Meeting dated May 2, 2023.

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

For and on behalf of Board of Directors

Ravikant Uppal
Director
DIN : 00025970

V. Balasubramanian
Director
DIN : 05222476

Place : Mumbai
Date : May 2, 2023

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report
To the Members of Ring Plus Aqua Limited
Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Ring Plus Aqua Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatementof this other information, we are required to report that fact.

   We have nothing to report in this regard.

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai – 400028
T: +91(22) 66691000, F: +91 (22) 66547804 / 07
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Mumbai FRN 012754N/N500016

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

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

9. 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.

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

Report on other legal and regulatory requirements

11. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. 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 except for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv.(a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (refer note 51 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (refer note 51 to the financial statements); and

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not available for direct database changes. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDM8928

Place: Mumbai
Date: May 02, 2024

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report
Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Ring Plus Aqua Limited on the financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Ring Plus Aqua Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31,2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDM8928

Place: Mumbai
Date: May 02, 2024

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Ring Plus Aqua Limited on the financial statements as of and for the year ended March 31, 2024.

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(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 Notes 3(a) and 3(b) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(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 the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. 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.

(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, which are in agreement with the unaudited books of account as set out below (Also, refer Note 21 to the financial statements)

iii. (a) The Company has made investments in two companies and eight other parties. The Company has not granted any secured, unsecured loans, advances in nature of loans, or stood guarantee, or provided security to any company, firm, Limited Liability Partnership or any other party. Therefore, the reporting under clause (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(b) In respect of the aforesaid investment, the terms and conditions under which such Investment was made are not prejudicial to the Company's interest.

iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans, provided any guarantee or security to the parties covered under Sections 185 and 186.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, 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. Also, refer note 40 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues of goods and services tax, provident fund, employees' state insurance, service tax, duty of customs, duty of excise, cess, as referred to in sub-clause (a) which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.in lakhs)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax	14.26	F.Y – 2010-11	Joint commissioner of Income Tax
The Income Tax Act, 1961	Income tax	12.90	F.Y – 2020-21	Commissioner of Income Tax (Appeals), Mumbai
The Central Sales tax Act, 1956	Sales tax	2.72	F.Y – 1999-00	Asst Commissioner of Sales Tax Appeals, Pune
The MVAT Act, 2002	Value Added Tax	823.87	F.Y – 2015-16	Maharashtra sales tax tribunal

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) 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) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 20 to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, 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. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (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, 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) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. 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. 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 related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

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

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

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

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios (Also refer Note 47 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDM8928

Place: Mumbai
Date: May 02, 2024

RING PLUS AQUA LIMITED
Balance Sheet as at March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	March 31, 2024	March 31, 2023
I	**ASSETS**			
1	**Non-current Assets**			
	(a) Property, Plant and Equipment	3(a)	8,810.14	8,793.44
	(b) Right-of-use asset	3(b)	72.13	73.03
	(c) Capital work - in - progress	3(c)	67.52	83.80
	(d) Other Intangible assets	4	-	-
	(e) Intangible assets under development	5	78.25	145.76
	(f) Financial Assets :			
	(i) Investments	6	68,217.47	8.61
	(ii) Other Financial Assets	7	47.80	33.03
	(g) Income Tax Assets (Net)	8(b)	320.09	41.94
	(h) Other non - current assets	9	116.38	81.75
	Total Non-Current Assets		**77,729.78**	**9,261.36**
2	**Current assets**			
	(a) Inventories	10	5,179.95	5,013.76
	(b) Financial Assets :			
	(i) Investments	11	-	3,957.59
	(ii) Trade receivables	12	7,833.45	6,768.80
	(iii) Cash and Cash Equivalents	13	739.70	837.91
	(iv) Bank Balances Other (iii) above	14	3.50	3.50
	(v) Other financial assets	15	29.67	3.04
	(c) Other current assets	16	587.83	241.25
	Total Current Assets		**14,374.10**	**16,825.85**
3	**Assets classified as held for sale**	17	-	10.55
	TOTAL ASSETS		**92,103.88**	**26,097.76**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	a) Equity share capital	18	775.67	775.67
	b) Other Equity	19	20,382.60	15,418.17
	Total Equity		**21,158.27**	**16,193.84**
2	**Non-current liabilities**			
	(a) Financial Liabilities			
	- Borrowings	20	57,932.00	-
	(b) Deferred tax liabilities (Net)	8(a)	237.32	320.35
	Total Non Current Liabilities		**58,169.32**	**320.35**
3	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	21	2,262.21	719.61
	(ii) Trade Payable	22		
	- Total outstanding dues of micro and small enterprises		-	-
	- Total outstanding dues other than above		9,050.81	7,426.52
	(iii)Other Financial Liabilities	23	591.39	565.50
	(b) Provisions	24	475.22	536.99
	(c) Income Tax Liabilities (Net)	8(c)	15.61	15.61
	(d) Other current liabilities	25	381.05	319.34
	Total Current Liabilities		**12,776.29**	**9,583.57**
	Total Liabilities		**70,945.61**	**9,903.92**
	TOTAL EQUITY AND LIABILITIES		**92,103.88**	**26,097.76**

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

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 2, 2024

For and on behalf of Board of Directors

V. Balasubramanian
Director
DIN : 05222476

Rashmi Mundada
Director
DIN : 8086902

Manish Kothari
Chief Financial Officer

Place : Mumbai
Date : May 2, 2024

RING PLUS AQUA LIMITED
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	For the Year ended March 31, 2024	For the Year ended March 31, 2023
	Income			
I	Revenue from Operations	26	43,111.98	37,480.74
II	Other Income	27	1,038.28	366.75
III	**Total Income (I+II)**		**44,150.26**	**37,847.49**
IV	**Expenses**			
	Cost of raw materials consumed	28	17,494.15	15,487.91
	Changes in inventories of finished goods and work-in progress	29	(65.93)	224.80
	Employee benefits expense	30	3,479.10	3,105.03
	Finance costs	31	479.54	20.25
	Depreciation and amortization expense	32	1,014.06	959.27
	Other Expenses	33	13,729.61	12,533.47
	Total expenses (IV)		**36,130.53**	**32,330.73**
V	**Profit before exceptional items and tax (III-IV)**		**8,019.73**	**5,516.76**
VI	**Exceptional Items**	50	1,386.56	334.97
VII	**Profit before tax (V-VI)**		**6,633.17**	**5,181.79**
VIII	**Income Tax expense**			
	Current tax	8	1,568.42	1,343.51
	Deferred tax		(83.03)	(60.37)
	Tax in respect of earlier years		-	(12.40)
	Total Tax Expense (VIII)		**1,485.39**	**1,270.74**
IX	**Profit for the year (VII-VIII)**		**5,147.78**	**3,911.05**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations	44	29.13	(3.27)
	Tax Impact on above	8	(7.33)	0.82
	Other Comprehensive Income (X)		**21.80**	**(2.45)**
XI	**Total Comprehensive Income for the year (IX+X)**		**5,169.58**	**3,908.60**
XII	Earnings per equity share of Rs. 10 each :			
	Basic (in Rs.)	38	66.37	50.42
	Diluted (in Rs.)		66.37	49.80

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

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 2, 2024

For and on behalf of Board of Directors

V. Balasubramanian
Director
DIN : 05222476

Rashmi Mundada
Director
DIN : 8086902

Manish Kothari
Chief Financial Officer

Place : Mumbai
Date : May 2, 2024

RING PLUS AQUA LIMITED
Statement of Cash Flow for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	For the Year ended March 31, 2024		For the Year ended March 31, 2023	
A. Cash Flow from Operating Activities				
Profit before exceptional items and tax as per statement of profit and loss		8,019.73		5,516.76
Ajustments for :				
Depreciation and Amortisation Charge	1,014.06		959.27	
Employee benefit expense (ESOP)	(205.15)		42.96	
Net (Gain)/Loss on sale/discard of Property, Plant and Equipment	(148.84)		9.31	
Net (Gain) on Sale/Fair Valuation of Investments	(542.12)		(150.52)	
Profit/(Loss) on unrealised foreing exchange	(28.07)		(7.70)	
Deposits written-off	0.50		10.89	
Less : Provision thereagainst	-		(10.89)	
Loss allowance/(reversal)	(0.43)		-	
Dividend Income	-		(0.04)	
Interest Income	(1.48)		(22.26)	
Finance Costs	479.54		20.25	
		568.01		851.27
Operating Cash Flows before Working Capital Changes		8,587.74		6,368.03
Add/(Deduct) :				
(Increase)/Decrease in Inventories	(166.19)		145.14	
Increase in Trade and Other Receivables	(1,410.82)		(1,841.57)	
Increase in Trade and Other Payables	1,709.78		1,091.94	
Increase/(Decrease) in Provisions	(32.64)		21.76	
		100.13		(582.73)
		8,687.87		5,785.30
Less : Taxes Paid (Net)		1,853.90		1,375.63
		6,833.97		4,409.67
Less : Exceptional Items (Refer note 50)		1,386.56		334.97
Cash Inflow from Operating Activities		**5,447.41**		**4,074.70**
B. Cash Flow from Investing Activities				
Payments for Property, Plant & Equipment & Intangible Assets (including capital work-in progress, capital advances and capital creditors)	(979.30)		(1,973.27)	
Receipts on Sale of Property, Plant & Equipments	150.23		9.31	
Sale proceeds of current investment	74,230.22		1,000.31	
Payment for Purchase of Current Investments	(69,730.51)		(2,550.00)	
Investment in Subsidiary	(68,208.51)		-	
Investment in equity instruments	(0.35)		-	
Interest Income	1.48		22.26	
Dividend Received	-		0.04	
Net Cash Outflow from Investing Activities		**(64,536.74)**		**(3,491.35)**

RING PLUS AQUA LIMITED

Statement of Cash Flow for the year ended March 31, 2024

(All amounts are in Rs. lakhs, unless stated otherwise)

C. Cash Flow from Financing Activities				
Proceeds of Non-current Borrowings	60,100.00		(9.69)	
Repayment of Current Borrowings (net)	(625.40)		(192.06)	
Interest Paid	(483.48)		(16.43)	
Net Cash Inflow/(Outflow) from Financing Activities		**58,991.12**		**(218.18)**
Net Increase in Cash and Cash Equivalents (A+B+C)		(98.21)		365.17
Add: Balance at the beginning of the financial Year		837.91		472.74
Cash and Cash Equivalents as at the end of the Year		739.70		837.91

Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Cash and Cash Equivalent as per above comprise of the following		
Cash on hand	2.14	1.17
Cheques, drafts on hand	-	15.00
Balances with Banks in current accounts	737.56	821.74
Balance as per Statement of Cash Flows	**739.70**	**837.91**

The Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cashflows.

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

As per our attached Report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Arunkumar Ramdas

Partner

Membership No. 112433

Place : Mumbai

Date : May 2, 2024

For and on behalf of Board of Directors

V. Balasubramanian

Director

DIN : 05222476

Rashmi Mundada

Director

DIN : 8086902

Manish Kothari

Chief Financial Officer

Place : Mumbai

Date : May 2, 2024

RING PLUS AQUA LIMITED

Statement of Changes in Equity for the year ended March 31, 2024

(All amounts are in Rs. lakhs, unless stated otherwise)

A. EQUITY SHARE CAPITAL

Particulars	Note No.	Amount
As at March 31, 2023	18	775.67
As at March 31, 2024		775.67

B. OTHER EQUITY

Particulars	Note No.	Capital Reserve (On Amalgamation)	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	Debenture Redemption Reserve	Total
As at March 31, 2022	19	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	-	**11,466.61**
Profit for the year		-	-	-	3,911.05	-	-	3,911.05
Other Comprehensive Income		-	-	-	(2.45)	-	-	(2.45)
Employee Stock Option Plan Expenses		-	-	42.96	-	-	-	42.96
As at March 31, 2023		**610.35**	**993.60**	**205.15**	**13,328.35**	**280.72**	-	**15,418.17**
Profit for the year		-	-	-	5,147.78	-	-	5,147.78
Other Comprehensive Income		-	-	-	21.80	-	-	21.80
Employee Stock Option Plan Expenses		-	-	19.49	-	-	-	19.49
Transfer to/(from)		-	-	-	(2,000.00)	-	2,000.00	-
Employee Stock Option Plan Reversal		-	-	(224.64)	-	-		(224.64)
As at March 31, 2024		**610.35**	**993.60**	-	**16,497.93**	**280.72**	**2,000.00**	**20,382.60**

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

As per our attached Report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration No. 012754N/N500016

Arunkumar Ramdas

Partner

Membership No. 112433

Place : Mumbai

Date : May 2, 2024

For and on behalf of Board of Directors

V. Balasubramanian	**Rashmi Mundada**
Director	Director
DIN : 05222476	DIN : 8086902

Manish Kothari

Chief Financial Officer

Place : Mumbai

Date : May 2, 2024

RING PLUS AQUA LIMITED

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

(All amounts are in Rs. lakhs, unless stated otherwise)

1A BACKGROUND AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

I. Background and Operations

Ring Plus Aqua Limited ('RPAL' or 'the Company'), CIN : U99999MH1986PLC040885, headquartered in Thane, Maharashtra, India, carries on business of manufacturing and exporting auto components and related products, which include Ring Gears, Flexplates, Water Pump Bearings, etc.

The Company has approved its financial statements in its Board Meeting dated May 2, 2024.

II. Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

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

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

2) defined benefit plans - plan assets measured at fair value;

3) share based payments

4) Assets held for Sale - Measured at fair value less cost of sale.

(iii) New and Amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 31 March 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:

1) Disclosure of accounting policies – amendments to Ind AS 1

2) Definition of accounting estimates – amendments to Ind AS 8

3) Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Companies accounting policy already complies with the now mandatory treatment.

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months)and other criteria set out in the Schedule III to the Companies Act, 2013.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1B MATERIAL AND OTHER ACCOUNTING POLICIES

I. Material Accounting Policies

(a) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

Chartered Accountants

FRN 012754N/N500016

Mumbai

RING PLUS AQUA LTD.

RPAL

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method, over the estimated useful lives of assets. (Leasehold land is amortised over of period lease). Leasehold improvements are amortised over the period of lease or estimated useful lives which ever is lower.

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in schedule II of the Act, except for plant and machinery and certain vehicles which based on an independent technical evaluation has been estimated as 24 years from the date of acquisition (on a single shift basis) and 5 years respectively, which is different from that prescribed in Schedule II of the Act.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(b) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

The Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Inventories

Inventories of Raw Materials, Goods in transit, Work-in-Progress, Stores and spares and Finished Goods are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Cost formula used is 'Weighted Average cost'. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(d) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(e) Revenue recognition

Sale of goods -

Sales are recognised when the control of the goods has transferred to the customer, which is generally on delivery of goods to customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

II. Other Accounting Policies

(a) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(b) Intangible assets

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Amortisation method

The Company amortizes computer software with a useful life using the straight-line method over the period of 3 years from the date of acquisition.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(c) Cash and Cash Equivalents

For the purpose of presentation in the Restated Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and certain cash credit facilities that form an integral part of the Company's cash management.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(d) Trade Payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(e) Investments and other financial assets

(i) Classification

The company classifies its financial assets in the following measurement categories:

* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investment in subsidiary is recognised at cost as per Ind AS -27.

* **Fair value through profit and loss**: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(v) Derecognition of financial assets

A financial asset is derecognised only when:

• the Company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

- Interest income

Interest income from debt instruments is recognised using the effective interest rate method.

- Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(f) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(g) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(h) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in the RFinancial statement unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the Financial statement unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(i) Employee benefits

(i) Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans

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

(iii) Post-employment obligations

Defined Benefit Plans

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

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD
RPAL

(iv) Other long-term employee benefit obligations

The liabilities for compensated absesnces are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when

(j) Foreign currency transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(k) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(l) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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

(m) Share Based Payments

Share-based compensation benefits are provided to employees via the Ring Plus Aqua Limited-Employee Stock Option Scheme 2019 (RPAL ESOP 2019).

The fair value of options granted under the RPAL ESOP 2019 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

(n) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director, decision maker.

(o) Dividends :

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(p) Offsetting financial instruments :

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(q) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Company for the year.The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD
RPAL

(r) Business Combinations:

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(s) Leases

The Company's lease asset classes primarily consist of leases for Land. Leases are recognised as a right-of-use asset ("ROU") and a corresponding lease liability at the date at which leased asset is available for use by the Company for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases and leases of low value assets, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The lease liability is initially measured at the present value of the future lease payments which includes principal and finance cost component. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

As the Company, as leasehold land, the upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimtes or judgement are:

- Estimation of Defined benefit obligation (Refer Note 44).

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

3(a) Property, Plant and Equipment

Particulars	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount :							
As at March 31, 2022	2,137.13	8,973.39	74.07	55.04	283.68	144.57	11,667.88
Additions	273.00	2,382.59	91.52	29.18	50.90	17.33	2,844.52
Disposals	-	40.11	-	7.14	0.16	-	47.41
As at March 31, 2023	**2,410.13**	**11,315.87**	**165.59**	**77.08**	**334.42**	**161.90**	**14,464.99**
Additions	25.85	887.80	27.64	-	66.55	23.41	1,031.25
Disposals	-	3.38	1.43	-	1.49	-	6.30
As at March 31, 2024	**2,435.98**	**12,200.29**	**191.80**	**77.08**	**399.48**	**185.31**	**15,489.94**
Accumulated Depreciation :							
As at March 31, 2022	297.07	4,086.96	49.36	50.91	151.15	106.89	4,742.34
Depreciation charge for the year	74.22	811.75	8.51	3.64	45.31	14.58	958.01
Disposals	-	22.01	-	6.64	0.15	-	28.80
As at March 31, 2023	**371.29**	**4,876.70**	**57.87**	**47.91**	**196.31**	**121.47**	**5,671.55**
Depreciation charge for the year	77.44	854.27	11.87	5.58	51.20	12.80	1,013.16
Disposals	-	3.18	0.71	-	1.02	-	4.91
As at March 31, 2024	**448.73**	**5,727.79**	**69.03**	**53.49**	**246.49**	**134.27**	**6,679.80**
Net Carrying Amount :							
As at March 31, 2023	**2,038.84**	**6,439.17**	**107.72**	**29.17**	**138.11**	**40.43**	**8,793.44**
As at March 31, 2024	**1,987.25**	**6,472.50**	**122.77**	**23.59**	**152.99**	**51.04**	**8,810.14**

Notes:

A. Refer note 41 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment .

B. The title deeds of all immovable properties are held in the name of the Company.

3(b) Leases

(i) This notes provides information for lease where the Company is a lessee. The Company has leasehold factory land and leases office premises. Rental contracts for office are for a period of 12 months and hence short term in nature. There are no leases where Company is lessor.

Amount recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2024	As at March 31, 2023
Leasehold Land	73.03	84.56
Reclassification of asset as 'Asset Held for Sale' (Refer note 17)	-	(10.55)
Depreciation charge of Right-of-use assets	(0.90)	(0.98)
Total	**72.13**	**73.03**

Additions to Right of Use Assets during the financial year were Rs. Nil (previous year Rs. Nil)

Lease liabilities:

Lease liabilities: In case of leasehold land, upfront lease premium had been paid at the time of execution of the lease deed, hence there are no future lease liabilities.

(ii) Amount recognised in the statement of profit and loss.

The statement of profit and loss shows the following amount relating to lease :

Particulars	March 31, 2024	March 31, 2023
Depreciation charge of Right-of-use assets	0.90	0.98
Total	**0.90**	**0.98**

Particulars	March 31, 2024	March 31, 2023
Expense relating to short-term leases (included in other expenses)	20.27	15.82
Total	**20.27**	**15.82**

(iii) Extension and termination options:

Extension and termination options are included in property lease. These are used to maximise operational flexibility in terms of managing the assets used in the company operations. The extension and termination options held are exercisable with mutual agreement between the company and respective lessor.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

3(c) Capital work-in-progress

Particulars	Total
Balance as at April 01, 2022	756.38
Addition	1,983.01
Capitalisation	2,655.59
Balance as at March 31, 2023	**83.80**
Balance as at April 01, 2023	**83.80**
Addition	897.37
Capitalisation	913.65
Balance as at March 31, 2024	**67.52**

i. **Capital Work in progress ageing schedule:**

Particulars	As At	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work in progress	March 31, 2024	64.72	-	-	2.80	67.52
	March 31, 2023	81.00	-	2.80	-	83.80

ii. Actual cost of an capital projects in progress has not exceeded the estimated cost and actual timelines for completion of an projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii. Capital Work in progress majorly comprises of machinery which are pending installation.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

4 Intangible assets

Particulars	Computer Software
Gross Carrying Amount	
As at March 31, 2022	90.12
Additions	-
As at March 31, 2023	90.12
Additions	-
As at March 31, 2024	90.12
Accumulated Amortisation	
As at March 31, 2022	89.84
Amortisation charge for the year	0.28
As at March 31, 2023	90.12
Amortisation charge for the year	-
As at March 31, 2024	90.12
Net Carrying Amount	
As at March 31, 2023	-
As at March 31, 2024	-

5 Intangible assets under development

Particulars	Total
Balance as at April 01, 2022	-
Addition	145.76
Capitalisation	-
Balance as at March 31, 2023	**145.76**
Balance as at April 01, 2023	145.76
Addition	32.25
Transferred to Statement of Profit and Loss	99.76
Capitalisation	-
Balance as at March 31, 2024	**78.25**

i. Intangible assets under development ageing schedule:

Particulars	As At	Amount in intangible assets under development for				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible assets under development	March 31, 2024	32.25	46.00	-	-	78.25
	March 31, 2023	145.76	-	-	-	145.76

ii. Actual cost of an Intangible assets under development has not exceeded the estimated cost and actual timelines for completion of an projects has not exceeded the estimated timelines in respect of the amount reported above as at the end of each reporting period. Accordingly, completion schedule is not presented.

Note : Intangible assets under development comprises of implementation cost in relation to software.

Price Waterhouse Chartered Accountants LLP LLPIN AAC - 5001 Chartered Accountants FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

6 Investments

Particulars	March 31, 2024		March 31, 2023	
	No. of Units	Amount	No. of Units	Amount
Unquoted				
Investment in Subsidiary (A)				
Equity instruments - At Cost, fully paid up				
Maini Precision Products Limited (Equity Shares of Rs. 10 each) (Refer Note 49)	3,10,69,777	68,208.51	-	-
Investment in Other Equity Instruments (B)				
Equity instruments - Fair value through profit or loss				
SICOM Limited (Equity Shares of Rs.10 each)	10,000	7.91	10,000	7.91
Saraswat Co-operative Bank Limited (Equity Shares of Rs.10 each)	7,000	0.70	7,000	0.70
Radiance MH Sunrise Twelve Private Limited (Equity Shares of Rs.10 each)	3,514	0.35	-	-
Trinity Auto Component Limited (Equity Shares of Rs.10 each)	4,21,000	-	4,21,000	-
Total (A+B)		**68,217.47**		**8.61**

Aggregate amount of unquoted investments		68,217.47		8.61

Aggregate amount of impairment in the value of investments		-		-

7 Other Financial Assets

Particulars	March 31, 2024	March 31, 2023
Unsecured-considered Good (Unless Otherwise stated)		
Security Deposits	47.80	33.03
Total	**47.80**	**33.03**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

8 Income Taxes

Tax expense recognized in the Statement of Profit and Loss

Particulars	March 31, 2024	March 31, 2023
Current tax	1,568.42	1,343.51
Deferred tax	(83.03)	(60.37)
Tax in respect of Earlier years		
- Current Tax	-	(12.40)
Total income tax expense	**1,485.39**	**1,270.74**

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Reconciliation of effective tax rate	March 31, 2024	March 31, 2023
Profit before tax	6,633.17	5,181.79
Tax Expense Recognised in Statement of Profit and Loss	1,485.39	1,270.74
Enacted income tax rate in India	25.168%	25.168%
Computed Expected Tax Expense	1,669.44	1,304.15
Add :		
Permanent Disallowances	22.15	17.37
Adjustment for tax in respect of earlier years	-	(12.40)
Capital Gain set-off against brought forward losses (refer below table on unrecognised carry forward losses)	(166.91)	(30.23)
Others	(39.29)	(8.15)
Total income tax expense	**1,485.39**	**1,270.74**

Consequent to reconciliation items shown above, the effective tax rate is 22.39% (2022-23: 24.52%)

(a) **Movement in Deferred tax assets/(liabilities) :**

Particulars	April 1, 2023	Change in Statement of Profit and Loss	March 31, 2024
Deferred tax asset on account of :			
Amounts allowable for tax purpose on payment basis	164.21	(35.76)	128.45
Allowance for Doubtful Debts & Others Receivables	135.04	117.04	252.08
	299.25	**81.28**	**380.53**
Deferred tax liability on account of:			
Property plant and equipment and intangible assets	(619.60)	1.75	(617.85)
	(619.60)	**1.75**	**(617.85)**
Deferred Tax Liability (Net)	**(320.35)**	**83.03**	**(237.32)**

Movement in Deferred tax assets/(liabilities) :

Particulars	April 1, 2022	Change in Statement of Profit and Loss	March 31, 2023
Deferred tax asset on account of :			
Amounts allowable for tax purpose on payment basis	137.69	26.52	164.21
Allowance for Doubtful Debts & Others Receivables	95.72	39.32	135.04
Total	**233.41**	**65.84**	**299.25**
Deferred tax liability on account of:			
Property plant and equipment and intangible assets	(614.13)	(5.47)	(619.60)
Total	**(614.13)**	**(5.47)**	**(619.60)**
Deferred Tax Liability (Net)	**(380.72)**	**60.37**	**(320.35)**

Unrecognised carry forward tax losses:

The Company has accumulated capital loss of Rs. 441.47 Lakhs (Previous year Rs. 1,112.72 Lakhs) under the Income Tax Act. In view of, uncertainty over the Company's ability to utilise such losses in the foreseeable future, the Company has not recognised deferred tax asset against such losses.

Assessment Year (AY)	Capital Loss	
	March 31, 2024	Loss carried forward for upto AY
2016-17	441.47	2024-25

(b) Income Tax Assets (Net)

	March 31, 2024	March 31, 2023
Income Tax Asset (Net of Provision of Rs. 4,196.74 lakhs (March 31, 2023 : Rs. 2,621 lakhs))	320.09	41.94
Total	**320.09**	**41.94**

(c) Income Tax Liability (Net)

	March 31, 2024	March 31, 2023
Income Tax Liability (Net of Advance tax of Rs. 752.84 lakhs (March 31, 2023 : Rs. 752.84 lakhs))	15.61	15.61
Total	**15.61**	**15.61**

9 Other non - current assets

Particulars	March 31, 2024	March 31, 2023
Unsecured-considered Good (Unless Otherwise stated)		
Capital advances	48.56	13.11
Refund Due from Government Authorities	75.88	75.88
Less: Loss allowance for doubtful refund	(75.88)	(75.88)
Deposit with Government Authorities	67.82	68.64
Total	**116.38**	**81.75**

10 Inventories

(Cost or Net Realisable value, whichever is lower)

Particulars	March 31, 2024	March 31, 2023
Raw Materials	1,835.20	1,723.66
Work-in-progress	514.59	514.64
Finished goods	2,527.52	2,461.54
Stores and Spares	302.64	313.92
Total	**5,179.95**	**5,013.76**

Note:

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value and in case of reversal of write-down are mainly on account of commodity price movement (steel) and changes in market demand pattern due to changes in market dynamics. Write-down of inventories amounted to Rs. 33.10 lacs (write-back of inventories amounted to Rs. 0.93 lacs as at March 31, 2023). These write-downs/write back were recognised as expenses /income and included in 'Raw material consumed', 'changes in value of inventories of finished goods and work -in- progress' and 'consumption of stores and spares' in the statement of Profit and Loss.

For information of Inventories offered as security, Refer Note 39.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

11 Investments

Particulars	March 31, 2024	March 31, 2023
Investment in Mutual Fund :		
Unquoted at Fair value through Profit and Loss		
Nippon India Ultra Short Duration Fund - Growth Plan (Units Nil; Previous Year : 29,323.027)	-	1,012.02
HDFC Liquid Fund - Regular Plan - Growth -(Units Nil; Previous Year : 4,569.153)	-	200.31
Axis Ultra Short Term Fund - Regular Growth -(Units Nil; Previous Year :7,94,695.936)	-	100.70
ICICI Prudential Ultra Short Term Fund - Growth (Units Nil ; Previous Year : 12,74,460.243)	-	300.93
Aditya Birla Sun Life Savings Fund - Growth-Regular Plan (Units Nil ; Previous Year : 418557.711)	-	1,942.76
Aditya Birla Sun Life Crisil - Growth-Regular Plan (Units Nil; Previous Year : 38,15,083.476)	-	400.87
Total	-	3,957.59

Aggregate amount of unquoted investments before impairment	-	3,957.59
Aggregate amount of impairment in the value of investments	-	-

12 Trade receivables

Particulars	March 31, 2024	March 31, 2023
Trade Receivables	8,060.42	6,996.20
Less: Loss Allowance	(226.97)	(227.40)
Total	7,833.45	6,768.80

Break-up of Security details :

Particulars	March 31, 2024	March 31, 2023
Considered good - Secured	-	-
Considered good - Unsecured	8,060.42	6,996.20
Considered having significant increase in credit risk	-	-
Considered - Credit impaired	-	-
Total	8,060.42	6,996.20
Less: Loss Allowance	(226.97)	(227.40)
Total Trade receivables	7,833.45	6,768.80

(a) For information about Credit Risk and Market Risk, Refer Note 35.
(b) For information of Trade receivables offered as security, Refer Note 39.

Trade Receivable Ageing :

March 31, 2024	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables	6,989.25	867.75	2.27	6.78	1.59	5.27	7,872.91
(ii) Disputed Trade Receivables	-	-	-	-	-	187.51	187.51
Total	6,989.25	867.75	2.27	6.78	1.59	192.78	8,060.42

March 31, 2023	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables	6,112.95	655.85	27.40	6.79	-	5.27	6,808.26
(ii) Disputed Trade Receivables	-	-	-	-	-	187.94	187.94
Total	6,112.95	655.85	27.40	6.79	-	193.21	6,996.20

13 Cash and Cash Equivalents

Particulars	March 31, 2024	March 31, 2023
Cash on hand	2.14	1.17
Cheques, drafts on hand	-	15.00
Balances with Banks in current accounts	737.56	821.74
Total	739.70	837.91

14 Bank balances other than Cash and Cash Equivalents above

Particulars	March 31, 2024	March 31, 2023
Balance in Dividend Account	3.50	3.50
Total	3.50	3.50

Note : Includes Rs. 3.44 lakhs (P.Y. Rs. 3.44 lakhs) pertaining to unpaid dividend.

15 Other current financial assets

Particulars	March 31, 2024	March 31, 2023
Derivative financial Instruments (Refer Note 35)	29.67	3.04
Total	29.67	3.04

Price Waterhouse Chartered Accountants LLPIN AAC - 5001 FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

16 Other current assets

Particulars	March 31, 2024	March 31, 2023
Unsecured-considered Good (Unless Otherwise stated)		
Export benefit receivables	69.41	140.54
Receivables From Government Authorities	433.35	38.96
Advances to Suppliers	14.60	7.66
Prepaid expenses	65.44	42.74
Advances recoverable in cash or kind	5.03	11.35
Total	**587.83**	**241.25**

17 Assets classified as held for sale

Particulars	March 31, 2024	March 31, 2023
Right of use asset held for sale - Leasehold Land	-	10.55
Total	-	**10.55**

Notes :

The Board, in its meeting held on May 12, 2022 gave its approval for the sale of its right in leased plot of land of the Company situated at survey number 115/2, Village Musalgaon, Taluka Sinnar, District Nasik, STICE premises admeasuring 6,075 sq.mtrs. The Company has, during the year, sold its right in the leasehold land for a total net consideration of Rs. 131.52 lakhs. The gain on such sale is shown under note 27.

Price Waterhouse Chartered Accountants LLP LLPIN AAC - 5001 Chartered Accountants FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. RPAL

18 Equity Share capital

a)

Particulars	March 31, 2024	March 31, 2023
Authorised		
3,00,00,000 (Previous year: 3,00,00,000) Equity Shares of Rs. 10/- each	3,000.00	3,000.00
Issued, subscribed and fully paid up		
77,56,671 (Previous year: 77,56,671) Equity Shares of Rs. 10/- each	775.67	775.67
	775.67	**775.67**

b) **Rights of Equity Shareholders**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Reconciliation of number of shares**

Particulars	March 31, 2024		March 31, 2023	
	Number of shares	Rs. lakhs	Number of shares	Rs. lakhs
Equity Shares :				
Balance as at the beginning of the year	77,56,671	775.67	77,56,671	775.67
Balance as at the end of the year	**77,56,671**	**775.67**	**77,56,671**	**775.67**

d) **Shares held by Holding Company**

Particulars	March 31, 2024	March 31, 2023
69,08,482 (Previous year 69,08,482) Equity shares of Rs.10/- each held by JK Files & Engineering Limited	690.85	690.85

e) **Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Particulars	March 31, 2024	March 31, 2023
Shares held by Holding Company - JK Files & Engineering Limited	69,08,602	69,08,482
% of holding	89.07%	89.07%
Shares held by J K Investors (Bombay) Limited	4,96,165	4,96,165
% of holding	6.40%	6.40%

f) During preceeding five years, no share was issued by the Company for consideration being other than cash.

g) **Shareholdings of Promoters as at March 31, 2024 :**

Sr. No.	Promoters	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited - Nominee	-	0.00%*	100.00%
2	JK Files & Engineering Limited	69,08,602	89.07%	0.00%*
3	J K Investors (Bombay) Limited	4,96,165	6.40%	-

* Percentage of change is below rounding-off norms adopted by company.

Shareholdings of Promoters as at March 31, 2023 :

Sr. No.	Promoters	Number of Shares	% of Total Holding	% Change during the year
1	Scissors Engineering Products Limited (along with its nominee)	120	0.00%*	-
2	JK Files & Engineering Limited	69,08,482	89.07%	-
3	J K Investors (Bombay) Limited	4,96,165	6.40%	-

* Percentage of total holding is 0.0015%

h) Equity Shares reserved for issue under options: Information relating to Employee Stock Option Plan, including details of options issued, exercised, lapsed and terminated during the financial year and options outstanding at the end of the reporting period, is set out in Note 48.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

19 Other Equity

Particulars	Capital Reserve on Amalgamation	Securities Premium	Share Options outstanding Account	Retained Earnings	General Reserves	Debenture Redemption Reserve	Total
As at March 31, 2022	**610.35**	**993.60**	**162.19**	**9,419.75**	**280.72**	**-**	**11,466.61**
Profit for the year	-	-	-	3,911.05	-		3,911.05
Other Comprehensive Income for the year (Net of tax)	-	-	-	(2.45)	-		(2.45)
Employee Stock Option Plan Expenses	-	-	42.96	-	-		42.96
As at March 31, 2023	**610.35**	**993.60**	**205.15**	**13,328.35**	**280.72**	**-**	**15,418.17**
Transfer to/(from)	-	-	-	(2,000.00)	-	2,000.00	-
Profit for the year	-	-	-	5,147.78	-		5,147.78
Other Comprehensive Income	-	-	-	21.80	-		21.80
Employee Stock Option Plan Expenses	-	-	19.49	-	-		19.49
Employee Stock Option Plan Reversal	-	-	(224.64)	-	-		(224.64)
As at March 31, 2024	**610.35**	**993.60**	**-**	**16,497.93**	**280.72**	**2,000.00**	**20,382.60**

Nature and Purpose of Reserves :

a) **Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

b) **Share Options Outstanding Account**

The Share Options outstanding Account was used to recognise the grant date fair value of options issued to employees under 'Ring Plus Aqua Limited - Employee stock option plan 2019'. The same has been terminated during the current financial year (Refer Note 48).

c) **Capital Reserve**

Capital Reserve was created on account of merger of Trinity India Limited with the Company pursuant to the Scheme of Amalgamation in the financial year

d) **General Reserves**

General Reserves is a free reserve, retained from Company's profits. The reserves can be utilised as per the provisions of the Companies Act, 2013.

e) **Debenture Redemption Reserve**

Debenture Redemption Reserve is created for the purpose of redemption of debentures as per the Companies Act, 2013.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

20 Non-Current Borrowings

Particulars	Terms of Repayment	Interest Rate	March 31, 2024	March 31, 2023
Secured				
20,00,000 (March 31, 2023: Nil) Non Convertible Debentures of Rs 1,000 issued to a financial institution (Secured by exclusive charge on entire movable and immovable fixed assets and Second pari passu charge on current assets, both present and future)	Quarterly repayments as per schedule ending in March 2031	9.85% (P.Y. Nil)	20,000.00	-
Unsecured				
Term loan from a Related Party (Refer note 43)	Repayable in March 2029	9.85% (P.Y. Nil)	40,100.00	-
			60,100.00	-
Less: Current maturity of long term borrowings (included in Note 21)			2,168.00	
Total			**57,932.00**	-

Notes :

1. For information about Liquidity risk and Market risk refer note 35.
2. The carrying amount of financial and non-financial assets held as security for secured borrowings are disclosed in note 39.

21 Current Borrowings

Particulars	Terms of Repayment	Interest Rate	March 31, 2024	March 31, 2023
Secured				
Packing credit - in Indian Rupees (Secured by first pari passu charge on inventory and receivables, both present and future)	Repayable on Demand	4.90% to 5.20% (P.Y. Nil)	95.09	-
Buyers Credit - Foreign Currency (Secured by way of first pari passu charge on all current assets, both present and future)	Repayable Rs. 163.09 lakhs on Dec 1, 2023; Rs. 196.92 lakhs on June 27, 2023; Rs. 359.6 lakhs on April 12, 2023	Nil (P.Y. 0.90% to 4.11%)	-	724.43
Current maturities of Non-current borrowings (Refer Note 20)			2,168.00	-
			2,263.09	724.43
Less : Interest accrued but not due on borrowings (included in Note 23)			0.88	4.82
Total			**2,262.21**	**719.61**

(a) The carrying amount of financial and non-financial assets held as security for secured borrowings are disclosed in note 39.
(b) In respect of borrowings made from banks on the basis of security of current assets, quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

Note: The Non Current and Current borrowings have been utilized by the Company for meeting requirement as per the terms of the loans and have not been further advanced or loaned by the Company to any other parties (refer note 51).

22 Trade payables

Particulars	March 31, 2024	March 31, 2023
Trade payables : Micro and Small Enterprises (MSME)	-	-
Trade payables : Related parties (Refer Note 43)	199.81	119.75
Trade payables : Others	8,851.00	7,306.77
Total	**9,050.81**	**7,426.52**

(a) For information about MSME disclosure Refer Note 37.
(b) For information about Liquidity Risk and Market Risk Refer Note 35.

Trade Payables Ageing :

Particularls	Unbilled dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	More than 1 year upto 2 years	More than 2 year upto 3	More than 3 years	
As at March 31, 2024	1,663.68	4,840.80	2,499.65	6.84	0.82	39.02	9,050.81
As at March 31, 2023	898.10	4,399.11	2,089.16	1.13	2.04	36.98	7,426.52

There are no disputed Trade Payables.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

23 Other Current financial liabilities

Particulars	March 31, 2024	March 31, 2023
Unpaid Dividend	3.44	3.44
Interest accrued but not due on borrowings (Refer Note 21)	0.88	4.82
Derivative financial instruments (Refer Note 35)	3.70	19.98
Employee Benefits payable	519.78	484.80
Creditors for Capital Goods	37.35	33.72
Other Deposits	26.24	18.74
Total	**591.39**	**565.50**

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

24 Provisions

Particulars	March 31, 2024	March 31, 2023
Provision for employee benefits (Refer Note 44)		
a) Gratuity	349.24	404.64
b) Compensated Absences	125.98	132.35
Total	**475.22**	**536.99**

25 Other Current liabilities

Particulars	March 31, 2024	March 31, 2023
Contract Liabilities*		
-Advance received against sale of land - Nil (P.Y. Net of Rs. 8.21 lakhs paid against exceution of transfer deed)	-	131.52
-Others	24.23	69.17
Statutory Dues	304.06	62.35
Other Payables	52.76	56.30
Total	**381.05**	**319.34**

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RFA

(All amounts are in Rs. lakhs, unless stated otherwise)

26 Revenue from Operations

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Revenue from contracts with customer		
Sale of Products - recognised at a point in time		
- Manufactured Goods - Domestic	16,565.98	14,447.75
- Manufactured Goods - Export	23,109.20	20,016.26
Total (A)	39,675.18	34,464.01
Other operating revenue		
(i) Export Incentives	511.98	407.88
(ii) Process waste sale	2,566.61	2,590.82
(iii) Others	358.21	18.03
Total (B)	3,436.80	3,016.73
Total (A+B)	**43,111.98**	**37,480.74**

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from the transfer of goods in the following geographical regions:

Revenue from contracts with customer (Sale of Products)	For the Year ended March 31, 2024	For the Year ended March 31, 2023
India	16,565.98	14,447.75
America	6,850.67	7,440.51
Europe	14,245.62	9,686.78
Asia (excluding India)	2,005.56	2,862.13
Australia	7.35	26.84
Total	**39,675.18**	**34,464.01**

The Company derives revenue from the transfer of following goods :

Product Name	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Flywheel Starter Ring Gears	27,277.86	25,271.94
Water Pump Bearings	7,544.27	6,221.80
Flexplates	4,729.33	2,818.74
Others	123.72	151.53
Total	**39,675.18**	**34,464.01**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

27 Other income

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Dividend income	-	0.04
Interest income		
- On Financial Assets	1.48	-
- On Vat Refund	-	22.26
Net Gain on :		
(i) Variation in Foreign Exchange Rates	252.10	42.30
(ii) Sale/Discard of Property, Plant and Equiptment	148.84	-
(iii) Sale/Fair Valuation of investments measured at fair value through profit or loss	542.12	150.52
Compensation from Job worker	46.72	107.64
Miscellaneous Income	47.02	43.99
Total	**1,038.28**	**366.75**

28 Cost of raw materials consumed

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Opening Stock	1,723.66	1,649.30
Purchases	17,605.69	15,562.27
	19,329.35	17,211.57
Less : Closing Stock	(1,835.20)	(1,723.66)
Total	**17,494.15**	**15,487.91**

29 Changes in inventories of finished goods and work-in-progress

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Opening inventories		
Finished goods	2,461.54	2,794.71
Work-in-progress	514.64	406.27
	2,976.18	**3,200.98**
Closing inventories		
Finished goods	2,527.52	2,461.54
Work-in-progress	514.59	514.64
	3,042.11	**2,976.18**
Total	**(65.93)**	**224.80**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

30 Employee benefits expense

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Salaries, wages, bonus etc.	3,304.72	2,681.26
Contribution to Gratuity Fund (Refer note 44)	73.74	71.76
Contribution to provident funds and other funds (Refer Note 44)	140.22	136.28
Employee Stock Option Plan Expenses (Refer Note 48)	(205.15)	42.96
Workmen and Staff welfare expenses	165.57	172.77
Total	**3,479.10**	**3,105.03**

31 Finance costs

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Interest expense on Non-Current borrowings	361.07	9.93
Interest expense on Current borrowings	10.77	10.32
Other borrowing costs	107.70	-
Total	**479.54**	**20.25**

32 Depreciation and amortisation expense

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Depreciation on Property, Plant and Equipment	1,013.16	958.01
Depreciation of right of use assets (Refer Note 3(b))	0.90	0.98
Amortisation on Intangible assets	-	0.28
Total	**1,014.06**	**959.27**

33 Other Expenses :

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Manufacturing and Operating Costs (Refer Note (a) below)	10,027.16	8,406.23
Other expenses (Refer Note (b) below)	3,702.45	4,127.24
Total	**13,729.61**	**12,533.47**

(a) Manufacturing and Operating Costs

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Consumption of stores and spare parts	3,006.22	2,536.88
Power and fuel	1,973.55	1,820.43
Job work charges	2,129.31	1,768.58
Labour Contractor Charges	2,462.56	1,880.76
Repairs to machinery	132.80	133.78
Repairs to building	92.88	71.92
Other Manufacturing and Operating expenses	229.84	193.88
Total	**10,027.16**	**8,406.23**

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
REAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

(b) Other expenses

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Rent	20.27	15.82
Insurance	104.07	100.52
Rates and Taxes	105.34	20.57
Commission to selling agents	25.03	33.61
Freight expenses	1,613.68	2,629.88
Legal and Professional Expenses*	248.30	110.05
Travelling & Conveyance	131.09	134.91
Loss allowance/(reversal)	(0.43)	-
Deposits Written off	0.50	10.89
Less : Provision thereagainst	-	(10.89)
Information Technology Outsourcing Cost	36.05	29.71
Security Expenses	111.18	97.39
Director's Sitting Fees & Commission	62.50	34.45
Net Loss on sale/discard of Property, Plant and Equipment	-	9.31
Expenditure towards Corporate Social Responsibility (Refer Note 34)	88.00	69.00
Facilities Charges	646.35	604.00
Miscellaneous Expenses	510.52	238.02
Total	**3,702.45**	**4,127.24**

*** Includes Auditors' remuneration and expenses (net of credit for taxes) :**

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
- Audit Fees	18.00	15.25
- Certification Fees	0.30	0.20
- Reimbursement of out of pocket expenses	0.13	0.11
Total	**18.43**	**15.56**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

34

a) **Corporate Social Responsibility expenditure:**

As per section 135 of the Companies Act,2013, a corporate social responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specifiedin Schedule VII of the Companies Act, 2013. The utilization is done by way of contribution towards various activities

Balance as at	March 31, 2024	March 31, 2023
a. Amount required to be spent as per Section 135 of the Companies Act,2013	87.70	68.92
b. Amount Spent during the year :		
(i) Construction/Acquisition of an asset		-
(ii) On purpose other than (i) above	88.00	69.00
c. Shortfall at the end of the year	-	-
d. Total of the previous years shortfall	-	-
e. reason for shortfall	-	-
f. Nature of CSR Activities	Refer table below	Refer table below
g. Details of related party transactions	-	-
h. where a provision is made with respect to the liability incurred by entering into contractual obligation	-	-

Details of further expense out :

Name of the Project	March 31, 2024	March 31, 2023
Contribution made to :		
Contribution toward promoting healthcare including preventive healthcare	88.00	38.50
Contrinutions towards Har Ghar Tiranga Campaign	-	25.00
Contribution toward promoting education among children	-	5.50
Total	**88.00**	**69.00**

house Chartered Accountants LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. REAL

35 Financial risk management objectives and policies

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Working Board comprising of head of various departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	March 31, 2024	March 31, 2023
Borrowings bearing variable rate of interest	60,194.21	719.61

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

Particulars	March 31, 2024	March 31, 2023
50 bp increase in interest rate - decrease in profits	(152.28)	(4.05)
50 bp decrease in interest rate - Increase in profits	152.28	4.05

ii. Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by foreign exchange forward contracts in the respective currencies.

Derivative instruments hedged and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date (Foreign currency In lakhs)

Particulars	Currency	March 31, 2024	March 31, 2023
Forward contracts to sell USD	USD	20.74	11.00
Forward contracts to buy USD	USD	0.38	-
Forward contracts to sell EURO	EURO	47.75	9.30

All the derivative instruments have been acquired for hedging purposes and not as trading or speculative instruments.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

(b) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31st March 2024

(Foreign currency In lakhs)

Particulars	YEN		USD		EURO		GBP		REAIS		RINGGIT	
	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR
Trade Receivable	-	-	11.95	996.15	41.81	3,772.20	0.09	9.06	-	-	-	-
Covered by forward contracts	-	-	11.95	996.15	41.81	3,772.20	-	-	-	-	-	-
Net Exposure	-	-	-	-	-	-	0.09	9.06	-	-	-	-
Trade Payable	-	-	3.59	299.17	0.06	5.46	-	-	-	-	-	-
Covered by forward contracts	-	-	0.38	31.55	-	-	-		-		-	-
Net Exposure	-	-	3.21	267.62	0.06	5.46	-		-		-	-
Cash and Bank balances - Net Exposure	-	-	*	0.25	*	0.03	*	*	*	0.02	*	*

As at 31st March 2023

Particulars	YEN		USD		EURO		GBP		REAIS		RINGGIT	
	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR	in lakhs	in INR
Trade Receivable	-	-	16.29	1,339.11	22.94	2,056.07	0.10	10.54	-	-	-	-
Covered by forward contracts	-	-	11.00	904.45	9.30	833.65	-	-	-	-	-	-
Net Exposure	-	-	5.29	434.66	13.64	1,222.42	0.10	10.54	-	-	-	-
Trade Payable	-	-	1.21	99.78	0.08	7.42	-	-	-	-	-	-
Covered by forward contracts	-	-	-		-		-		-		-	-
Net Exposure	-	-	1.21		0.08		-		-		-	-
Cash and Bank balances - Net Exposure	-	-	*	*	*	*	*	*	*	*	*	*
Buyers Credit	580.00	359.60	-	-	4.02	360.01	-	-	-	-	-	-

*Amount is below the rounding off norms adopted by the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
REAL

(All amounts are in Rs. lakhs, unless stated otherwise)

Foreign Currency Risk Sensitivity

A change of 5% in Unhedged Foreign currency would have following Impact on profit before tax

Particulars	March 31, 2024		March 31, 2023	
	5% Increase	5% decrease	5% Increase	5% decrease
EURO	(0.27)	0.27	42.74	(42.74)
REAIS	*	*	*	*
RINGGIT	*	*	*	*
USD	(13.38)	13.38	16.75	(16.75)
YEN	-	-	(17.98)	17.98
GBP	0.47	(0.47)	0.53	(0.53)
Increase / (decrease) in profit or loss	**(13.18)**	**13.18**	**42.04**	**(42.04)**

*Amount is below the rounding off norms adopted by the Company.

iii Price Risk

Exposure

Security price risk is the risk that the fair value of a financial instrument will fluctuate due to change in market traded prices. The Company invests its surplus funds primarily in liquid schemes of mutual funds (debt instruments) which are categorised as low risk products from liquidity and interest rate perspectives. The carrying amount of the Group's investments are designated as at fair value through profit or loss at the end of the reporting period.

Sensitivity

The sensitivity analysis below is presented with reference to changes in NAV of these securities:-

	March 31, 2024	March 31, 2023
NAV - Increases by 1% *	-	39.58
NAV - Decreases by 1% *	-	(39.58)

* Holding all other variables constant

B. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company is exposed to credit risk from its operating activities (primarily trade receivables), investment in mutual funds, balances, derivatives, deposit with banks and security deposits. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent, other bank balances and investments

Credit risk related to cash and cash equivalents is managed by accepting highly rated banks and financial institutions. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes security deposits and derivative instruments. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. Considering the amounts involved are not significant, the expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

Movement in allowances for expected credit losses on trade receivables

Particulars	March 31, 2024	March 31, 2023
Opening provision	227.40	227.40
Less:- Changes in loss allowance	(0.43)	-
Closing provisions	**226.97**	**227.40**

During the year, the Company made no write-offs of trade receivables.

Ageing	Expected credit loss %	
	March 31, 2024	March 31, 2023
Not Due	0%	0%
0-90 days	1%	1%
91-180 days	37%	37%
181-270 days	84%	74%
271-360 days	100%	100%
more than 360 days	100%	100%

Chartered Accountants LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

RING PLUS AQUA LTD. RPAL

(All amounts are in Rs. lakhs, unless stated otherwise)

C. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financing arrangements

The company had access to following undrawn Borrowing facilities at end of reporting period:

Particulars	March 31, 2024	March 31, 2023
Variable Borrowing - Cash Credit expires within 1 year	3,455.79	2,450.39

Maturity patterns of borrowings

Particulars	March 31, 2024			
	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowing (Including current maturity of long term debt)	2,168.00	54,264.00	3,668.00	60,100.00
Short term borrowings (excluding current maturity of long term debt)	94.21	-	-	94.21
Accrued Interest	0.88	-	-	0.88
Total	**2,263.09**	**54,264.00**	**3,668.00**	**60,195.09**

Particulars	March 31, 2023			
	0-1 years	1-5 years	beyond 5 years	Total
Short term borrowings (excluding current maturity of long term debt)	719.61	-	-	719.61
Accrued Interest	4.82	-	-	4.82
Total	**724.43**	-	-	**724.43**

Maturity patterns of Other Financial Liabilities

March 31, 2024	0-3 months	3-6 months	6-12 months	beyond 12 months	Total
Trade Payables	9,050.81	-	-	-	9,050.81
Unpaid Dividend	-	-	-	3.44	3.44
Other Current financial liabilities	403.21	-	183.86	-	587.07
Total	**9,454.02**	-	**183.86**	**3.44**	**9,641.32**

March 31, 2023	0-3 months	3-6 months	6 months to 12 months	beyond 12 months	Total
Trade Payables	7,426.52	-	-	-	7,426.52
Unpaid Dividend	-	-	-	3.44	3.44
Other Current financial liabilities	384.25	-	172.99	-	557.24
Total	**7,810.77**	-	**172.99**	**3.44**	**7,987.20**

(All amounts are in Rs. lakhs, unless stated otherwise)

36 Capital risk management

The primary objectives of the capital management is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

Company manages its capital structure and makes its adjustments in the light of changes in economic environments.

The Company monitors capital on the basis of the following gearing ratio which is total debt net of cash and bank balances divided by total equity

The management monitors the return on capital.

The gearing ratios were as follows:

Particulars	March 31, 2024	March 31, 2023
Net Debt	59,455.39	(113.48)
Equity	21,158.27	16,193.84
Gearing Ratio (in times)	2.81	(0.01)

Note : Negative amount represents excess of cash & cash equivalents over borrowings.

37 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	March 31, 2024	March 31, 2023
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

...se Chartered Accountants LLPIN AA...5001 ...rtered Accountants ...N 012754N/N500016 Mumbai

RING PLUS AQUA LTD.

(All amounts are in Rs. lakhs, unless stated otherwise)

38 Earnings per share

	Particulars	March 31, 2024	March 31, 2023
	Earnings Per Share has been computed as under :		
A	Profit for the year for computing Earnings Per Share	5,147.78	3,911.05
B	Weighted average number of equity shares outstanding – For Basic EPS (Face Value – Rs.10 per share)	77,56,671	77,56,671
C	Add : Weighted average of Employees Stock Option outstanding (Face Value – Rs.10 per share)	-	96,397
D	Weighted average number of equity shares outstanding – For Diluted EPS (Face Value – Rs.10 per share)	77,56,671	78,53,068
	Basic Earnings Per Share (A/B)	66.37	50.42
	Diluted Earnings Per Share (A/D)	66.37	49.80

39 Assets Pledged as security

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

Particulars	March 31, 2024	March 31, 2023
Property, Plant and Equipment	8,810.14	-
Right-of-use asset	72.13	-
Capital work - in - progress	67.52	-
Intangible asset under development	78.25	-
<u>Current Assets</u>		
Inventories	5,179.95	5,013.76
Trade receivables	7,833.45	6,768.80
Cash and cash equivalents	739.70	-
Bank balances other than above	3.50	-
Other financial assets	29.67	-
Other Current Asset	587.83	-
Total assets Pledged as security	**23,402.14**	**11,782.56**

The charge created on current assets and movable fixed assets provided as security for the non-convertible debentures is in the process of being registered as at March 31, 2024. Further, the Company is in the process of executing the deed of mortgage for the immovable assets given as security and the charge on the same will be registered post the deed execution.

40 Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2024	March 31, 2023
Claims against the Company not acknowledged as debts		
Sales Tax (excluding Interest)	2.72	2.72
Income Tax (excluding Interest)	14.26	14.26
Total	**16.98**	**16.98**

<u>Other Matters - Provident Fund</u> :

The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

41 Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	March 31, 2024	March 31, 2023
Property, plant and equipment	602.43	153.12
Less: Capital advances	48.56	13.11
Net Capital commitments	**553.87**	**140.01**

ouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

42 Fair Value measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.
4. All borrowings of the Company carry variable rate of interest and hence, the fair value of such instruments is not materially different from their carrying amounts.
5. In respect of long term security deposits and loans give, being market driven rate of interest and other deposits with no fixed maturity date, fair value are considered to be their carrying values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities as at March 31, 2024

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Investment	68,217.47	-	68,217.47	-	-	8.96	8.96	-	68,217.47	68,226.43
Trade receivables	-	7,833.45	7,833.45	-	-	-	-	-	7,833.45	7,833.45
Cash and Bank Balances	-	739.70	739.70	-	-	-	-	-	739.70	739.70
Bank Balances Other Than above	-	3.50	3.50	-	-	-	-	-	3.50	3.50
Other Financial Asset	47.80	29.67	77.47	-	29.67	-	29.67	-	47.80	77.47
	68,265.27	**8,606.32**	**76,871.59**	**-**	**29.67**	**8.96**	**38.63**	**-**	**76,841.92**	**76,880.55**
Financial Liabilities										
Borrowings	57,932.00	2,262.21	60,194.21	-	-	-	-	-	60,194.21	60,194.21
Trade Payables	-	9,050.81	9,050.81	-	-	-	-	-	9,050.81	9,050.81
Other Financial Liabilities	-	591.39	591.39	-	3.70	-	3.70	-	587.69	591.39
	57,932.00	**11,904.41**	**69,836.41**	**-**	**3.70**	**-**	**3.70**	**-**	**69,832.71**	**69,836.41**

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Financial Assets and Liabilities as at March 31, 2023

Particulars				Routed through P & L				Routed through OCI	Carrying at amortised cost	Total
	Non Current	Current	Total	Level 1	Level 2	Level 3	Total			
Financial Assets										
Investment	8.61	3,957.59	3,966.20	-	3,957.59	8.61	3,966.20	-	-	3,966.20
Trade receivables	-	6,768.80	6,768.80	-	-	-	-	-	6,768.80	6,768.80
Cash and Cash Equivalents	-	837.91	837.91	-	-	-	-	-	837.91	837.91
Bank Balances Other Than above	-	3.50	3.50	-	-	-	-	-	3.50	3.50
Other Financial Asset	33.03	3.04	36.07	-	3.04	33.03	36.07	-	0.00	36.07
	41.64	**11,570.84**	**11,612.48**	-	**3,960.63**	**41.64**	**4,002.27**	-	**7,610.21**	**11,612.48**
Financial Liabilities										
Borrowings	-	719.61	719.61	-	-	-	-	-	719.61	719.61
Trade Payables	-	7,426.52	7,426.52	-	-	-	-	-	7,426.52	7,426.52
Other Financial Liabilities	-	565.50	565.50	-	19.98	-	19.98	-	545.52	565.50
	-	**8,711.63**	**8,711.63**	-	**19.98**	-	**19.98**	-	**8,691.65**	**8,711.63**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC - 5001
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

43 Related Parties Disclosures as per Ind AS 24 :

A. Relationships :

i Related parties where control exists, irrespect of whether transaction has occurred or not:

(a) **Ultimate Holding Company**
- Raymond Limited

(b) **Holding Company**
- JK Files & Engineering Limited

(c) **Subsidiary Company**
- Maini Precision Products Limited (w.e.f March 28, 2024)

ii. Fellow subsidiaries with whom transactions have taken place

Fellow Subsidiary Companies
- JK Talabot Limited

iii. Key Management Personnel:
- Mr. V. Balasubramanian – Non-Executive Director
- Mr. Ravikant Uppal - Non-Executive Director
- Mr. Bhuwan Kumar Chaturvedi – Non-Executive Director
- Mr. Parthiv Kilachand - Independent Director
- Mr. Shiv Surinder Kumar - Independent Director
- Mr. Satish Chand Mathur - Independent Director
- Ms. Rashmi Mundada - Independent Director (w.e.f. March 3, 2023)

iv Trust

Ring Plus Aqua Limited - Employee Gratuity Scheme.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.

(All amounts are in Rs. lakhs, unless stated otherwise)

B. Transactions & outstanding balances with related parties

Nature of transactions	JK Files & Engineering Limited	Raymond Limited	JK Talabot Limited	Maini Precision Products Limited	Key Management personnel
Purchases					
Stores and Spares	2.46 *(4.82)*	- -	- *(-)*	- *(-)*	- *(-)*
Expenses					
Rent	- *(-)*	12.81 *(12.81)*	- *(-)*	- *(-)*	- *(-)*
Facilities Charges	257.25 *(252.00)*	396.27 *(352.00)*	- *(-)*	- *(-)*	- *(-)*
Director Sitting Fees & Commission *	- *(-)*	- *(-)*	- *(-)*	- *(-)*	62.50 *(34.45)*
Legal and Professional Expenses *	- *(-)*	- *(-)*	- *(-)*	- *(-)*	22.00 *(16.00)*
Reimbursement of Expenses	369.27 *(4.25)*	88.80 *(68.14)*	*(-)*	*(-)*	*(-)*
Finance					
Unsecured Term Loan Received	*40,100.00* *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Finance Cost on Unsecured Term Loan	218.24 *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*
Reimbursement of Expenses from	1.84 *(-)*	7.17 *(-)*	- *(-)*	- *(-)*	- *(-)*
Other borrowing costs (corporate guarantee charges)	- *(-)*	- *(-)*	2.47 *(-)*	- *(-)*	- *(-)*
Outstanding					
Trade Payable	28.73 *(45.82)*	126.85 *(73.93)*	2.23 *(-)*	- *(-)*	42.00 *(-)*
Other Current Financial Liabilities	- *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(21.50)*
Unsecured Term Loan	40,100.00 *(-)*	- *(-)*	- *(-)*	- *(-)*	- *(-)*

(Previous year figures are in brackets)

*** Payment to Key Management personnel include :**

Particulars	March 31, 2024	March 31, 2023
Legal & Professional Expenses - Advisory Fees		
Ravikant Uppal	22.00	16.00
Directors Sitting Fees & Commission		
Ravikant Uppal	9.50	6.00
B.K.Chaturvedi	12.00	7.65
Parthiv Kilachand	12.50	9.00
Rashmi Mundada	9.50	-
Shiv Surinder Kumar	9.00	7.13
Satish Chand Mathur	10.00	4.67
Total	**84.50**	**50.45**

44 Post retirement benefit plans

I. DEFINED CONTRIBUTION PLAN:

The Company has defined contribution plan. Contributions are made to provident fund and ESIC for employees as per regulations. The obligation of the company is limited to the amount contributed and it has no further contractual or constructive obligation. The expense recognised during the year are :

Particulars	March 31, 2024	March 31, 2023
Contribution to Provident Fund	138.46	133.33
Contribution to E.S.I.C.	1.76	2.95
Total Contribution to provident funds and other funds	**140.22**	**136.28**

II. DEFINED BENEFIT PLANS (GRATUITY) :

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of Rs. 20 lakhs (Previous year Rs. 20 lakhs). The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

A. Balance Sheet

Particulars	March 31, 2024	March 31, 2023
Present value of plan liabilities	926.73	906.00
Fair value of plan assets	577.49	501.37
Plan liability net of plan assets	349.24	404.63

B. Movements in plan assets and plan liabilities

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2023	501.37	906.00	404.63
Current service cost	-	43.64	43.64
Return on plan assets excluding Interest Income	40.14	-	(40.14)
Interest cost	-	67.41	67.41
Interest income	37.30	-	(37.30)
Actuarial (gain)/loss arising from changes in financial assumptions	-	15.67	15.67
Actuarial (gain)/loss arising from experience adjustments	-	(4.66)	(4.66)
Employer contributions	100.01	-	(100.01)
Benefit paid from fund	(101.33)	(101.33)	-
As at 31st March 2024	**577.49**	**926.73**	**349.24**

Particulars	Plan Assets	Plan liabilities	Plan liability net of plan assets
As at 1st April 2022	582.92	962.40	379.48
Current service cost	-	45.27	45.27
Return on plan assets excluding Interest Income	(20.40)	-	20.40
Interest cost	-	67.18	67.18
Interest income	40.69	-	(40.69)
Actuarial (gain)/loss arising from changes in demographic assumptions	-		-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(30.21)	(30.21)
Actuarial (gain)/loss arising from experience adjustments	-	13.08	13.08
Employer contributions	49.88	-	(49.88)
Benefit paid from fund	(151.72)	(151.72)	-
As at 31st March 2023	**501.37**	**906.00**	**404.63**

Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD

C. **The liabilities are split between different categories of plan participants as follows:**

Particulars	March 31, 2024	March 31, 2023
No of Members in Service	423	450
The weighted average duration of the defined benefit plans	8	9
The Company expects to contribute to the funded plans in next 12 months (Rs. Lakhs)	90.39	85.82

D. **Statement of Profit and Loss**

Particulars	March 31, 2024	March 31, 2023
Employee Benefit Expenses:		
Current service cost	43.64	45.27
Interest cost	30.10	26.49
Net impact on the Profit before tax	73.74	71.76
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in interest expense/income	(40.14)	20.40
Actuarial (Gains)/Losses on Obligation For the Period	11.01	(17.13)
Net impact on the Other Comprehensive Income before tax	**(29.13)**	**3.27**

E. **Defined benefit plans Assets**

Particulars	March 31, 2024	March 31, 2023
Insurer Managed Fund	577.47	501.36

F. **Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the

The significant actuarial assumptions were as follows:

Particulars	March 31, 2024	March 31, 2023
Financial Assumptions		
Discount rate	7.19%	7.44%
Salary Escalation Rate	7.50%	7.50%
Salary Attrition Rate	For Workers 2% For Staff 5% to 15%	For Workers 2% For Staff 5% to 15%
Demographic Assumptions :		
Mortality in service	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

G. **Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Current Year	Increase in assumption	Decrease in assumption
Discount rate: (+1%and -1%)	(60.07)	67.52
Salary Escalation Rate (+1%and -1%)	65.19	(59.89)
Employee Turnover (+1%and -1%)	(1.41)	1.54

Previous Year	Increase in assumption	Decrease in assumption
Discount rate: (+1%and -1%)	(60.39)	67.84
Salary Escalation Rate (+1%and -1%)	66.52	(60.31)
Employee Turnover (+1%and -1%)	(0.37)	0.39

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of each period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year

H. 1. The defined benefit obligations shall mature after year as follows:

Year ending 31 March,	March 31, 2024	March 31, 2023
1st Following Year	59.00	51.82
2nd Following Year	59.87	48.37
3rd Following Year	60.54	74.22
4th Following Year	80.57	68.97
5th Following Year	92.71	89.38
Sum of years 6 to 10	606.00	607.17

Risk Exposure

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As

Asset volatility Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

2. Compensated Absences :

The amount of provision of Rs. 125.98 lakhs (P.V. Rs. 132.35 lakhs) based on valuation by an independent actuary, is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligation.

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

45 Net Debt Reconciliation :

Particulars	March 31, 2024	March 31, 2023
Cash and Bank Balances	739.70	837.91
Non-current borrowings	(57,932.00)	-
Current borrowings	(2,262.21)	(719.61)
Interest accrued but not due on borrowings	(0.88)	(4.82)
Net debt	**(59,455.39)**	**113.48**

Particulars	Cash and Bank Balances	Non-current borrowings	Current borrowings (including interest accurued but not due)	Total
March 31, 2022	**472.74**	-	**(912.66)**	**(439.92)**
Net Cashflows	365.17	-	192.06	557.23
Interest expenses	-	-	(20.25)	(20.25)
Interest paid	-	-	16.43	16.43
March 31, 2023	**837.91**	-	**(724.42)**	**113.49**
Net Cashflows	(98.21)	(60,100.00)	625.40	(59,572.81)
Reclassification of current maturities	-	2,168.00	(2,168.00)	-
Interest expenses*	-	(468.77)	(10.77)	(479.54)
Interest paid	-	468.77	14.71	483.48
March 31, 2024	**739.70**	**(57,932.00)**	**(2,263.09)**	**(59,455.39)**

* Includes other borrowing cost

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RPAL

RING PLUS AQUA LIMITED

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

(All amounts are in Rs. lakhs, unless stated otherwise)

46 Segment Disclosure :

The Directors of the Company (chief operating decision maker) monitor the operating results of its Business segment separately for the purpose of decision making about resource allocation and performance allocation. The Company's business activity falls within a single business segment of auto components and related products. Accordingly, the Company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

Entity wide disclosure

(a) Information about the product and services. The Company's Product falls under single product category i.e. auto components and related products

(b) Entity wide disclosure -Information in respect of geographical area is as under :

(c) No single customer contributes to more than 10% of the Company's revenue.

	India		America		Europe		Asia		Australia		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue from contracts with customer *	16,565.98	14,447.75	6,850.67	7,440.51	14,245.62	9,686.78	2,005.56	2,862.13	7.35	26.84	39,675.18	34,464.01
Carrying cost of segment non-current asset**	9,144.43	9,177.78	-	-	-	-	-	-	-	-	9,144.43	9,177.78

* Based on location of customer

** Excluding financial asset, deferred tax asset and income tax asset

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD

RING PLUS AQUA LIMITED
Notes to the Financial Statements as at and for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

47 Ratios :

Sr. No.	Ratios	Unit of measurement	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance March 31, 2024 vs March 31, 2023
1	Current Ratio	in times	Current Asset	Current Liabilities	1.13	1.76	-36%
2	Debt-Equity Ratio	in times	Total Debts (Current + Non current)	Total Equity (Equity Share Capital + Other Equity)	2.84	0.04	7000%
3	Debt Service Coverage Ratio	in times	Earnings available for debt service (Net profit after tax + depreciation + finance costs)	Finance costs + principle repayment of long term borrowings during the year	2.51	241.53	-99%
4	Return on Equity Ratio	in percentages	Net profit after tax	Average Equity	28%	28%	0%
5	Inventory turnover ratio	in times	Cost of Goods Sold	Average inventory	5.39	4.74	14%
6	Trade Receivables turnover ratio	in times	Revenue from Sale of Products	Average Trade Receivables	5.43	6.01	-10%
7	Trade payables turnover ratio	in times	Purchase of Raw Materials + Manufacturing and operating cost	Average Trade Payables	3.80	4.07	-7%
8	Net capital turnover ratio	in times	Revenue from Sale of Products	Current Asset - Current Liabilities	24.83	4.76	422%
9	Net profit ratio	in percentages	Net profit after tax	Revenue from Sale of Products	13%	11%	18%
10	Return on Capital employed	in percentages	Profit before interest and tax	Equity + Debts + Deferred Tax Liability	9%	30%	-70%
11	Return on investment	in percentages	Profit before interest and tax	Closing total assets	8%	20%	-60%

Reasons for variance of more than 25% in above ratios :

1	Current Ratio	: This is due to sale of current investments and increase in short term borrowings.
2	Debt Service Coverage Ratio	: This is due to increase in debts during the year.
3	Debt-Equity Ratio	: This is due to increase in debts during the year.
4	Net capital turnover ratio	: This is due to increase in sales and decrease in net working capital on account of sale of current investments and increase in short term borrowings.
5	Return on Capital employed	: This is due to increase in debts during the year.
6	Return on investment	: This is due to increase in asset base on account of additional equity investment during the year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

RING PLUS AQUA LTD.
RFAL

48 **Share Based Payments :**

A. The company has instituted Ring Plus Aqua Limited - Employee Stock Option Scheme 2019 (RPAL ESOP 2019), pursuant to the approval of the shareholders of the company at their Extra Ordinary General Meeting held on March 1, 2019. The Option Plan was designed to provide incentives to employees for long term value creation. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one years.

Options are granted under the plan, carry no dividend or voting rights. When exercisable, each option is convertible into one equity share of face value Rs. 10 per share.

Under ESOP 2019, the company had granted 111,947 stock options for fair value of option determined on the date of grant.

Fair Value of options granted :

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the The options are granted for no consideration and vest as per vesting period mentioned below.

Summary of options granted under the plan :

	March 31, 2024	March 31, 2023
Opening balance	96,397	1,08,232
Granted during the year	-	-
Exercised during the year	-	-
Termination of ESOP during the year*	90,286	-
Forfeited during the year	6,111	11,835
Closing balance	-	96,397

* ESOP is terminated vide Board Resolution dated February 28, 2024.

The model inputs for options granted includes:

Date of grant	26-Apr-19
Number of options granted	1,11,947
Exercise price per option	Rs. 10.00
Vesting period	Over a period of 4 years from the date of Initial Public Offering (IPO) of the Company as under : 40% of Options at the time of Company's IPO 20% of Options after completing 1 year of Company's IPO 20% of Options after completing 2 year of Company's IPO 20% of Options after completing 3 year of Company's IPO
Exercise period	One year from the date of vesting
Expected Terms	5.9 years
Share Price at grant date	277
Expected Price volatility of the Company's Shares	48%
Expected dividend yield	0%
Risk-Free interest rate	7.67%

B. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying share.

The effect of Share Based Payments on the Company's Statement of Profit or Loss for the period and on its Financial Position :

The total expenses arising from share-based payments transactions recognised in profit or loss as part of employee benefit expense are as follows :

Particulars	March 31, 2024	March 31, 2023
Employee Stock Option Plan Expenses	(205.15)	42.96

Provision for share based payment is reversed during the year pursuant to ESOP termination vide Board Resolution dated February 28, 2024.

49 The Company has completed the acquisition of Maini Precision Products Limited ("MPPL") on March 28, 2024, whereby it has acquired 59.25% stake for a consideration of Rs. 68,208.51 lakhs, pursuant to which MPPL has become subsidiary of the Company.

50 **Exceptional Items :**

Particulars	March 31, 2024	March 31, 2023
Voluntary Retirement Scheme Expenses	302.06	334.97
Acquisition Expenses	1,084.50	-
Total	**1,386.56**	**334.97**

Expenses incurred towards 'voluntary retirement benefits' (VRS scheme) offered to its eligible employees beginning from 19th June 2023 to 23rd June 2023 and 8th June 2023 to 16th June 2023, pursuant to the same, 6 employees and 21 employees respectively opted for the scheme.

(P.Y. 'Voluntary retirement benefits' (VRS scheme) offered to its eligible employees beginning from October 11, 2022 to October 18, 2022. Pursuant to above, 29 employees opted for the scheme.

The Company has incurred certain costs relating to acquisition of Maini Precision Products Limited and restructuring cost towards consolidation of group's engineering business.

(All amounts are in Rs. lakhs, unless stated otherwise)

51 Additional regulatory information required by Schedule III :

(i) Details of benami property held :

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of PP&E, intangible asset and investment property :

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(iii) Wilful defaulter :

None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies :

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies :

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements :

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

(vii) Utilisation of borrowed funds and share premium

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

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

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

except for the following;

Funding Party	Amount of loan received	Date of receipt of loan	Name of ultimate beneficiary	Amount further invested in ultimate beneficiary	Date of further investing
JK Files & Engineering Limited	40,100.00	Various dates in March 2024	Maini Precision Products Limited (Refer note 49)	40,100.00	Various dates in March 2024
Axis Finance	20,000.00	March 07, 2024	Maini Precision Products Limited (Refer note 49)	20,000.00	Various dates in March 2024

(viii) Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) There are no loans or advances in the nature of loans outstanding as at March 31, 2024 and March 31, 2023, granted to promoters, directors, key managerial personnel and other related parties, which are repayable on demand or granted without specifying any terms or period of

52 The Board of Directors of the Company have approved Composite Scheme of Arrangement between the Company, JK Files & Engineering Limited ("JK Files"), Maini Precision Products Limited ("MPPL"), JKFEL Tools and Technologies Limited and Ray Global Consumer Enterprise Limited ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, subject to the requisite regulatory approvals.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Ring Plus Aqua Ltd

53 As per the second proviso of rule 6 of Companies (Account) Amendment Rule, 2016, the Company being - (i) a subsidiary of JK Files & Engineering Limited; (ii) not listed in India or outside India and (iii) being a step-down subsidiary of Raymond Limited, which files its Consolidated Financial Statements, has availed the exemption from preparation of Consolidated Financial

As per our attached Report of even date
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No. 112433

Place : Mumbai
Date : May 2, 2024

For and on behalf of Board of Directors

V. Balasubramanian
Director
DIN : 05222476

Rashmi Mundada
Director
DIN : 8086902

Manish Kothari
Chief Financial Officer

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No. 24, Vittal Mallya Road
Bengaluru - 560 001, India
Tel : +91 80 6648 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of Maini Precision Products Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Maini Precision Products Limited ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Statement of Cash flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013, 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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

S. R. Batliboi & Associates LLP
Bengaluru

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis;

S. R. Batliboi & Associates LLP
Bengaluru

(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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above.

(g) With respect to the adequacy of the internal financial controls of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 (ii)to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any provision for 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 the Note 44(v), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 44(vi), no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

S. R. Batliboi & Associates LLP
Bengaluru

c. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP
Bengaluru

per Sudhir Kumar Jain
Partner
Membership Number: 213157
UDIN: 23213157BGYAMO4546
Place of Signature: Bengaluru
Date: September 26, 2023

Annexure 1 referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Maini Precision Products Limited ("the Company")

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

(i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in Note 3 to financial statement, are held in the name of the Company.These immovable properties are pledged with the banks and their title deeds are not available with the Company. However, the same has been independently confirmed by the bank.

d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.

e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2023. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of each class of inventory.

(b) As disclosed in note 16 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The revised quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has provided loan to employees as follows:

	Loans (Amount in INR Million)
Aggregate amount granted/ provided during the year to employees	Rs.36.71
Balance outstanding as at balance sheet date in respect of the loan provided to employees	Rs. 21.13

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) During the year the loan granted to employees are not prejudicial to the Company's interest, having regard to management representation that the loans are given to employees considering their employment relationship with the Company.

(c) The Company has granted loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans granted to employees which are overdue for more than ninety days.

S. R. Batliboi & Associates LLP
Bengaluru

(e) There were no loans granted to employees which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same employees.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and securities given in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the products manufactured by the Company and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in few cases. According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in million)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
The Customs Act, 1962	Customs Duty	11.87	FY 2015-16	Various dates	-	Not Paid
The Customs Act, 1962	Customs Duty	5.58	FY 2018-19	Various dates	30/06/2023	-
Goods and Service Tax Act, 2017	Goods and Service Tax	4.24	FY 2018-19	Various dates	30/06/2023	-
The Customs Act, 1962	Customs Duty	2.37	FY 2019-20	Various dates	-	Not Paid
Goods and Service Tax Act, 2017	Goods and Service Tax	1.98	FY 2019-20	Various dates	-	Not Paid
The Customs Act, 1962	Customs Duty	3.87	FY 2020-21	Various dates	-	Not Paid
Goods and Service Tax Act, 2017	Goods and Service Tax	4.43	FY 2020-21	Various dates	-	Not Paid

(b) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount demanded (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	14.53	12.34	1993-94 to 1995-96, 1997-98 to 2002-05	The Supreme Court of India
		1.28	-	2018-19	Commissioner of Income Tax (Appeals)
		36.25	2.5	2009-10, 2014-15 and 2017-18	Commissioner of Income Tax (Appeals)
Central Excise Act, 1994	Excise Duty	105.17	6.84	2004-05 to 2017-18	Customs, Excise and Service Tax Appellate Tribunal
		2.39	0.07	2006-07 to 2007-08, 2009-10 to 2011-12	Revisionary Authority, New Delhi
		1.00	-	2012-13	Assistant Commissioner of Central Excise
Finance Act, 1994	Service Tax	24.85	-	2009-10 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year as disclosed in note 44 (vii) of the financial statements. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) Term loans obtained during the year were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order are not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company

(xi) (a) No material fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

(c) As represented to us by the management of the Company, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b), 3(xii)(c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.

S. R. Batliboi & Associates LLP
Bengaluru

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 43 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act) within a period of six months of the expiry of the financial year, in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S. R. Batliboi & Associates LLP
Bengaluru

per Sudhir Kumar Jain
Partner
Membership Number: 213157
UDIN: 23213157BGYAMO4546
Place of Signature: Bengaluru
Date: September 26, 2023

Annexure 2 referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Maini Precision Products Limited ("the Company")

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

We have audited the internal financial controls with reference to the financial statements of Maini Precision Products Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls 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') (the "guidance note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

S. R. Batliboi & Associates LLP
Bengaluru

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S. R. Batliboi & Associates LLP
Bengaluru

per Sudhir Kumar Jain
Partner
Membership Number: 213157
UDIN: 23213157BGYAMO4546
Place of Signature: Bengaluru
Date: September 26, 2023

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Balance Sheet as at March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,303.04	2,506.04
Capital-work-in progress	3a	12.61	-
Right-of-use assets	3	215.31	240.76
Intangible assets	4	9.66	12.44
Intangible assets under development	4a	-	1.79
Financial assets			
i. Investments	5	0.03	0.03
ii. Loans	6	8.30	4.17
iii. Other financial assets	7	40.05	23.01
iv. Trade receivables	11	-	37.79
Income tax assets (net)	8	50.24	64.32
Other non-current assets	9	113.44	59.12
Total non-current assets		**2,752.68**	**2,949.47**
Current assets			
Inventories	10	2,306.06	2,061.44
Financial assets			
i. Trade receivables	11	1,905.17	1,493.90
ii. Cash and cash equivalents	12	13.81	62.95
iii. Bank balances other than (ii) above	13	0.61	1.97
iv. Loans	6	12.83	14.06
v. Other financial assets	7	42.71	133.56
Other current assets	9	404.16	315.59
Total current assets		**4,685.35**	**4,083.47**
Total assets		**7,438.03**	**7,032.94**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	82.63	82.63
Other equity	15	587.59	(481.47)
Total Equity		**670.22**	**(398.84)**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	16	1,769.97	3,368.30
ii. Lease liabilities	17	229.07	246.69
Provisions	19	227.24	170.39
Deferred tax liabilities (net)	20	97.38	126.97
Total non-current liabilities		**2,323.66**	**3,912.35**
Current liabilities			
Financial liabilities			
i. Borrowings	16	3,018.41	2,135.70
ii. Lease liabilities	17	42.09	41.66
iii. Trade payables	21		
(A) Total outstanding dues of micro enterprises and small enterprises		98.70	84.18
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		919.90	903.39
iv. Other financial liabilities	18	217.47	231.86
Income tax liabilities (net)	8	45.78	56.88
Provisions	19	52.57	44.04
Other current liabilities	22	49.23	21.72
Total current liabilities		**4,444.15**	**3,519.43**
Total liabilities		**6,767.81**	**7,431.78**
Total equity and liabilities		**7,438.03**	**7,032.94**

Summary of significant accounting policies 2.1

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership No.: 213157
Place: Bengaluru, India
Date: September 26,2023

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Maini Precision Products Limited

Gautam Maini
Managing Director
DIN: 00667616
Place: Bengaluru, India
Date: September 26,2023

Sandeep Kumar Maini
Director
DIN: 01568787
Place: Bengaluru, India
Date: September 26,2023

V Sridhar
Director & Chief Financial Officer
DIN: 02584405
Place: Bengaluru, India
Date: September 26,2023

Vijayesh Rajendran
Company Secretary
FCS No.: F12248
Place: Bengaluru, India
Date: September 26,2023

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	23	7,466.25	6,150.62
Other income	24	947.13	118.97
Total income (I)		**8,413.38**	**6,269.59**
Expenses			
Cost of materials consumed	25	3,843.99	3,263.61
Changes in inventories of finished goods and work-in-progress	26	(219.16)	(425.96)
Employee benefit expenses	27	1,359.65	1,225.58
Depreciation and amortization expense	28	427.39	420.33
Finance costs	29	238.51	214.31
Other expenses	30	1,553.04	1,787.99
Total expenses (II)		**7,203.42**	**6,485.86**
Profit/(loss) before exceptional items and tax (III)		1,209.96	(216.27)
Exceptional item (IV)			
Profit on sale of land	40(a)	-	43.93
Deferred expenses pertaining to proposed IPO written off	40(b)	(67.93)	-
Profit/(loss) before tax (V) = (III) + (IV)		**1,142.03**	**(172.34)**
Tax expense	31		
Current tax		85.32	52.16
Taxes pertaining to earlier years		-	6.54
Deferred tax charge/(credit)		(25.25)	(48.37)
Total tax expense (VI)		**60.07**	**10.33**
Profit/(loss) for the year (VII) = (V) - (VI)		**1,081.96**	**(182.67)**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans		(17.24)	27.91
Income tax effect on above		4.34	(7.02)
Total Other Comprehensive Income/ (Loss) for the year (net of tax) (VIII)		**(12.90)**	**20.89**
Total Comprehensive Income/ (Loss) for the year (net of tax) (IX) = (VII) + (VIII)		**1,069.06**	**(161.78)**
Earnings/(Loss) per equity share (EPS) (face value - Rs. 2)	39		
Basic (in Indian Rupees)		26.19	(4.42)
Diluted (in Indian Rupees)		3.56	(4.42)
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

S. R. Batliboi & Associates LLP
Bengaluru

per Sudhir Kumar Jain
Partner
Membership No.: 213157
Place: Bengaluru, India
Date: September 26,2023

For and on behalf of the Board of Directors of
Maini Precision Products Limited

Gautam Maini
Managing Director
DIN: 00667616
Place: Bengaluru, India
Date: September 26,2023

Sandeep Kumar Maini
Director
DIN: 01568787
Place: Bengaluru, India
Date: September 26,2023

V Sridhar
Director & Chief Financial Office
DIN: 02584405
Place: Bengaluru, India
Date: September 26,2023

Vijayesh Rajendran
Company Secretary
FCS No.: F12248
Place: Bengaluru, India
Date: September 26,2023

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Cash Flow for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities			
Profit/(loss) before tax and exceptional item		1,209.96	(216.27)
Adjustments to reconcile (loss)/profit before tax to net cash flows:			
Depreciation and amortisation expenses		427.39	420.33
Finance cost		238.51	214.31
Unrealised exchange differences (net)		(51.45)	(24.81)
Loss/(gain) on sale/disposal of property, plant and equipment (net)		(3.84)	(0.17)
Interest income on banks and other deposits		(0.74)	(0.30)
Interest income on other financial assets		(6.89)	(4.80)
Loss/(gain) on fair valuation of investments		(0.00)	(0.01)
Loss / (gain) on mark to market of derivative contracts other than Compulsorily Convertible Cumulative Preference Shares ('CCPS')		10.39	(1.25)
Loss/(gain) on fair valuation of CCPS		(895.52)	360.88
Liabilities and provisions no longer required, written back		(7.62)	(0.72)
Expected credit loss allowance / (Provision for expected credit loss allowance (written back))		5.97	(0.22)
Advances written off		2.44	-
Provision for warranties (net)		0.76	0.82
Operating profit before working capital changes		**929.36**	**747.79**
Working capital adjustments:			
Increase/(decrease) in trade payables		38.58	158.39
Increase/(decrease) in other financial liabilities, other liabilities and provisions		(3.33)	128.37
(Increase)/decrease in inventories		(244.62)	(356.22)
(Increase)/decrease in trade receivables		(341.11)	(379.58)
(Increase)/decrease in loans, financial assets and other assets		(115.77)	(26.75)
Cash generated /(used in) from operations		**263.11**	**272.00**
Direct taxes paid (net of refunds)		(82.34)	0.20
Net cash flows from/(used in) operating activities (A)		**180.77**	**272.20**
Cash flow from investing activities			
Purchase of property, plant and equipment and intangible assets (including capital work in progress and intangible assets under development)		(195.32)	(134.71)
Proceeds from disposal of property, plant and equipment		9.22	0.57
Proceeds from sale of land		-	233.63
Interest received		0.70	0.30
Net Investment in deposit accounts (original maturity of more than 3 months)		1.36	(0.02)
Net cash flows from/(used in) investing activities (B)		**(184.04)**	**99.77**
Cash flow from financing activities			
Repayment of long term borrowings		(314.75)	(425.79)
Proceeds from long-term borrowings		11.20	179.58
Proceeds from short-term borrowings (net)		513.43	155.24
Finance costs paid		(184.58)	(188.94)
Payment of principal portion of lease liabilities		(44.87)	(39.08)
Payment of interest portion of lease liabilities		(26.61)	(27.29)
Net cash flows from/(used in) financing activities (C)		**(46.18)**	**(346.28)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(49.45)**	**25.69**
Cash and cash equivalents at the beginning of the year		62.95	37.04
Effect of exchange rate changes on cash and cash equivalent held		0.31	0.22
Cash and cash equivalents at end of the year	12	**13.81**	**62.95**
Components of cash and cash equivalents	12		
Cash on hand		0.04	0.00
Balances with banks:			
- on current accounts		1.79	5.17
- on Exchange Earner's Foreign Currency ('EEFC') accounts		11.98	21.09
- on cash credit accounts		-	33.49
- on deposits with original maturity of less than 3 months		-	3.20
Cash and cash equivalents at end of the year		**13.81**	**62.95**
Non-cash investing activities			
Acquisition of right-of-use assets		31.65	14.69
Changes in liabilities arising from financing activities	12		
Summary of significant accounting policies	2.1		

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership No.: 213157
Place: Bengaluru, India
Date: September 26,2023

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Maini Precision Products Limited

Gautam Maini
Managing Director
DIN: 00667616
Place: Bengaluru, India
Date: September 26,2023

Sandeep Kumar Maini
Director
DIN: 01568787
Place: Bengaluru, India
Date: September 26,2023

V Sridhar
Director & Chief Financial Officer
DIN: 02584405
Place: Bengaluru, India
Date: September 26,2023

Vijayesh Rajendran
Company Secretary
FCS No.: F12248
Place: Bengaluru, India
Date: September 26,2023

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

	Number of shares (in million)	Rs. in million
a) Equity share capital:		
(refer Note 14)		
Equity shares of Rs. 2 each issued, subscribed and fully paid up		
As at April 01, 2021	**8.26**	**82.63**
Changes during the year - Effect of share split	**33.05**	**-**
As at March 31, 2022	**41.31**	**82.63**
As at April 01, 2022	**41.31**	**82.63**
Changes during the year	-	-
As at March 31, 2023	**41.31**	**82.63**

b) Other equity
(refer Note 15)

	Attributable to the equity shareholders					Total other equity
	Reserves and Surplus					
	Retained earnings	Capital reserve	General reserve	Other reserve	Securities premium	
Balance as at April 01, 2021	**(998.37)**	**0.41**	**7.38**	**587.72**	**83.17**	**(319.69)**
Profit/(loss) for the year	(182.67)	-	-	-	-	**(182.67)**
Dividend on CCPS paid (Rs.246)	(0.00)	-	-	-	-	**(0.00)**
Transfer on account of sale of land during the year (refer note 40)	162.81	-	-	(162.81)	-	-
Other comprehensive income/(loss) during the year (net of taxes)	20.89	-	-	-	-	**20.89**
Balance as at March 31, 2022	**(997.34)**	**0.41**	**7.38**	**424.91**	**83.17**	**(481.47)**
Balance as at April 01, 2022	**(997.34)**	**0.41**	**7.38**	**424.91**	**83.17**	**(481.47)**
Profit/(loss) for the year	1,081.96	-	-	-	-	**1,081.96**
Dividend on CCPS paid (Rs.246)	(0.00)	-	-	-	-	**(0.00)**
Other comprehensive income/(loss) during the year (net of taxes)	(12.90)					**(12.90)**
Balance as at March 31, 2023	**71.72**	**0.41**	**7.38**	**424.91**	**83.17**	**587.59**

Summary of significant accounting policies 2.1

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership No.: 213157
Place: Bengaluru, India
Date: September 26,2023

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Maini Precision Products Limited

Gautam Maini
Managing Director
DIN: 00667616
Place: Bengaluru, India
Date: September 26,2023

Sandeep Kumar Maini
Director
DIN: 01568787
Place: Bengaluru, India
Date: September 26,2023

V Sridhar
Director & Chief Financial Officer
DIN: 02584405
Place: Bengaluru, India
Date: September 26,2023

Vijayesh Rajendran
Company Secretary
FCS No.: F12248
Place: Bengaluru, India
Date: September 26,2023

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

1. Corporate information

Maini Precision Products Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at B-165, 3rd Cross, 1st Stage, Peenya Industrial Estate Bangalore Karnataka 560058 India.

The Company is principally engaged in manufacture of precision components and subassemblies for the Automotive and Industrial and Aerospace segments (including parts for transmissions, engines, hydraulics, power tool, hand primers and filters).

The financial statements were approved for issue in accordance with a resolution of the board of directors of the Company on September 26, 2023.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest million up to two decimals, except when otherwise indicated. The functional and presentation currency of the Company is Indian Rupee ("INR") which is the currency of the primary economic environment in which the Company operates.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.1 Summary of significant accounting policies

a. Use of estimates

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

In the process of applying the accounting policies, management makes various judgements, which have significant effect on the amount recognised in the financial statements. The Company bases its estimates and assumptions on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Refer Note 2.2 on Significant accounting judgements, estimates and assumptions.

b. Current versus 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current. Deferred tax assets/liabilities are classified as non-current assets/liabilities.

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

c. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress (CWIP) is carried at cost, less recognised impairment losses. All the direct expenditures related to the implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned is accounted as Capital Work In Progress (CWIP) and such properties are classified as appropriate categories of Property, plant and equipment when completed and ready for the intended use.

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as a part of inventories.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components of machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extend they relate to the period till such assets are ready to be put in use.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

d. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line method as per the useful lives of assets estimated by management. The identified components, if any are depreciated over their useful life and the remaining assets are depreciated over the life of the principal asset.

The Company has estimated the following useful life:

Assets	**Useful lives estimated by the management (in years)**	**Useful lives under Schedule II of the Act (in years)**
Factory Buildings	30	30
Other Buildings	30	60
Plant and equipment	5 – 20	25
Office equipment	5	5
Furniture and fixture	10	10
Computer Hardware	3	3-6
Vehicles	8	8

The Company, based on technical assessment of usage patterns made by the technical experts, believes that the useful lives as mentioned above best represents the period over which management expects to use these assets.

The Company uses the plant and machinery for three shifts. Hence the Company has charged additional depreciation of 100% of the original depreciation rate.

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

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Subsequent costs related to Intangible assets are recognised as a separate asset, as appropriate, only 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.

Intangible assets are amortized over the useful economic life estimated by the management and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. The amortization expense on intangible assets is recognized in the statement of profit and loss.

Computer Software is amortized over a period of 3 years or the useful life whichever is lower, on a straight-line basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

The residual values, useful lives and methods of amortization of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

S.R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

f. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For all non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

g. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs also includes exchange differences to the extend regarded as an adjustment to the borrowing costs.

h. Leases

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

Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective right-of-use asset if the recognition criteria for a provision are met.

The right-of-use assets are also subject to impairment. Refer to the accounting policies stated under 'Impairment'.

Lease liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low- value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Company as a lessor
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

i. Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Materials held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials and components: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Work-in-progress: Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- Finished goods: Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

j. Revenue Recognition

Revenue from operations is recognised when control of the goods or services are transferred (performance obligation) to the customer.

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

Goods and Service Tax ('GST') is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in its revenue arrangements since it is the primary obligor in the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods
Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on dispatch of the goods. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Sale of services
Revenue from rendering of services are recognised over the period on accrual basis as per the terms of agreement entered into with the customers. Revenue earned in excess of billings are classified as unbilled revenue under 'Other financial assets' and billings in excess of revenue are classified as unearned revenue under 'Other non-financial liabilities'.

Warranty obligations
The Company provides warranties for general repairs of defects during the warranty period. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions under "Provisions".

Export incentive entitlement
Export incentive entitlements including duty drawbacks and duty credit scrips are recognised when there is a reasonable assurance that the Company has complied with the conditions attached to them and it is reasonably certain that the ultimate realisation will be made. These are recognized in the period in which the right to receive the same is established, i.e., the year during which the exports eligible for incentives are made.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer accounting policies on Financial instruments below.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of Financial instruments below.

S.R. Batliboi & Associates LLP
Bengaluru

Maini Precision Products Ltd.
Bangalore 560 058

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Interest income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

k. Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

(i) Initial recognition

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

(ii) Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(iii) Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expenses in the period in which they arise.

l. Employee benefits

(i) Defined contribution scheme

Retirement benefit in the form of provident is a defined contribution scheme. The Company has no obligation, other than the monthly contribution payable under the schemes. The Company recognizes contribution payable under the schemes as an expense, when an employee renders the related service. If the contribution payable under the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Defined benefit obligation

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date.

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

Past service costs are recognised in profit or loss on the earlier of:
a. The date of the plan amendment or curtailment, and
b. The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
b. Net interest expense.

(iii) Other employee benefits - Accumulated leave

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred.
Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

The Company presents the entire leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

m. Taxes on Income

(i) Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

(ii) Deferred income tax
Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

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

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

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in Other Comprehensive Income. In this case, the tax is also recognized in Other Comprehensive Income.

n. Financial Instruments

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

(i) Financial Assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

<u>Subsequent measurement</u>
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) (debt instruments)
- Financial assets at fair value through OCI (equity instruments)
- Financial assets at fair value through profit or loss

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets at fair value through other comprehensive income (equity instruments)
Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

Impairment of financial assets
The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).
For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

De-recognition of financial assets
The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

S.R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

(ii) Financial Liabilities and equity instruments

Initial recognition and measurement
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, employee dues and interest accrued on borrowings, other interest payable.

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

Subsequent measurement
For purposes of subsequent measurement, financial liabilities are classified in two categories:
• Financial liabilities at fair value through profit or loss
• Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities at amortized cost
Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Interest-bearing loans and borrowings are subsequently measured at amortized cost using EIR 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. The EIR amortisation is included as finance costs in the statement of profit and loss.

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

(iii) Reclassification of financial assets and liabilities
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

(iv) Off-setting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

(v) Derivative financial instruments
The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

o. Fair value of financial instruments

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

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

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

p. Compulsory convertible preference shares

Compulsory convertible preference shares ('CCPS') issued by the Company has been designated upon initial recognition as a financial liability measured at fair value through profit or loss. CCPS is initially recognised at fair value (issue price) and subsequent to initial recognition, such CCPS is fair valued through the statement of profit or loss. On modification of CCPS from liability to equity, the CCPS is recorded at the fair value of CCPS classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the statement of profit or loss.

q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The Company identifies reportable segments based on the dominant source, nature of risks and return and the internal organization and management structure for which discrete financial information is available.

r. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

s. Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Warranty provisions
The Company provides warranties for general repairs of defects that existed at the time of sale, as per customer contracts. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on past experience of the level of repairs and returns. The initial estimate of warranty-related costs is revised annually.

t. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

u. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and on hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

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

v. Dividend

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

w. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is reduced from the carrying amount of the asset and the grant is then recognised in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

2.2 Significant accounting judgements, estimates and assumptions

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

In the process of applying the Company's accounting policies, management makes judgement, estimates and assumptions which have the most significant effect on the amounts recognized in the financial statements.

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

Revenue recognition:
Revenue recognition requires significant estimates and judgment in determining when control of the goods or services underlying the performance obligation are transferred to the customer and also in the allocation of transaction price to various performance obligations under a contract. These estimates and judgement significantly affect the measurement and recognition of revenue.

Inventory valuation:
The inventory is valued at the lower of the cost and net realisable value ("NRV"). The determination of the NRV involves estimates based on prevailing market conditions and taking into account the estimated future selling price and selling costs and involves significant estimates and judgement in the assessment. These estimates and judgement significantly affect the determination of the value of inventories.

Provision for expected credit losses ('ECL') of trade receivables
The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customers that have similar loss patterns and involves significant estimates and judgement in the assessment. These estimates and judgement significantly affect the valuation of trade receivables and unbilled revenue.

Impairment of assets:
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which involves significant involvement of estimates and judgement.

Defined retirement benefit plans and other long-term employee benefits:
The cost of the defined benefit plans and other long-term employee benefits and the present value of the obligation thereon are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, obligation amount is highly sensitive to changes in these assumptions. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates and expected salary increase thereon.

Useful life and residual value of plant, property equipment and intangible assets:
The useful life and residual value of plant, property equipment and intangible assets are determined based on evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations the useful life and residual value are sensitive to the actual usage in future period.

Provision for litigations and contingencies:
The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

Provision for warranty:
The provision for warranty is determined based on evaluation made by the management of the past experience of the level of repairs and returns, which involves judgements in estimating the expected warranty claims on products sold. Hence, the provisions are sensitive to the actual outcome in future periods.

Leases:
Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Fair value measurement of financial instruments:

When the fair values of financial instruments recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The fair valuation requires management to make certain judgements about the model inputs, including forecast cashflows, discount rate, credit risk and volatility. Changes about these factors could affect the reported fair value of financial instruments.

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 3: Property, plant and equipment

	Owned Assets							Total	Right-of-use assets
	Land	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Computer hardware		Buildings
Gross Block (At Deemed Cost/Cost)									
As at April 01, 2021	**431.11**	**184.20**	**2,708.57**	**40.65**	**13.88**	**25.09**	**17.96**	**3,421.46**	**382.25**
Additions	-	-	102.60	2.46	-	1.72	5.26	112.04	14.69
Disposals	-	-	(4.43)	-	(2.18)	-	(0.07)	(6.68)	-
As at March 31, 2022	**431.11**	**184.20**	**2,806.74**	**43.11**	**11.70**	**26.81**	**23.15**	**3,526.82**	**396.94**
Additions	-	-	131.67	2.11	20.32	4.55	5.26	163.91	31.65
Disposals	-	-	(3.22)	(0.14)	(8.74)	-	-	(12.10)	(9.24)
As at March 31, 2023	**431.11**	**184.20**	**2,935.19**	**45.08**	**23.28**	**31.36**	**28.41**	**3,678.63**	**419.35**
Accumulated depreciation									
As at April 01, 2021	-	**22.49**	**613.15**	**8.61**	**4.90**	**10.42**	**12.74**	**672.31**	**103.74**
Charge for the year	-	11.25	326.24	4.79	2.31	5.65	4.51	354.75	52.44
Disposals	-	-	(4.03)	-	(2.18)	-	(0.07)	(6.28)	-
As at March 31, 2022	-	**33.74**	**935.36**	**13.40**	**5.03**	**16.07**	**17.18**	**1,020.78**	**156.18**
Charge for the year	-	11.25	333.94	4.99	2.20	5.12	4.03	361.53	54.65
Disposals	-	-	(1.46)	0.01	(5.27)	-	-	(6.72)	(6.79)
As at March 31, 2023	-	**44.99**	**1,267.84**	**18.40**	**1.96**	**21.19**	**21.21**	**1,375.59**	**204.04**
Net Block (At Deemed Cost/Cost)									
As at March 31, 2022	**431.11**	**150.46**	**1,871.38**	**29.71**	**6.67**	**10.74**	**5.97**	**2,506.04**	**240.76**
As at March 31, 2023	**431.11**	**139.21**	**1,667.35**	**26.68**	**21.32**	**10.17**	**7.20**	**2,303.04**	**215.31**

Note 3a: Capital Work in Progress

Capital work in progress	As at March 31, 2023	As at March 31, 2022
Opening Balance	-	-
Additions to Capital Work-in progress	12.61	-
Capitalization from capital work-in progress to Property, Plant and Equipment	-	-
Closing Balance	12.61	-

Capital work in progress (CWIP) ageing schedule
As at March 31, 2023

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	12.61	-	-	-	12.61
Projects temporarily suspended	-	-	-	-	-
Total	**12.61**	-	-	-	**12.61**

Notes:
1. Refer note 16 for details of assets pledged as security for borrowings.
2. There are no immovable property which is not held in name of the Company. The immovable properties are pledged with the banks and their title deeds are not available with the Company. However, the same has been independently confirmed by the bank.
3. On transition to Ind AS (i.e., April 01, 2019), the Company has elected to continue with the carrying value of Property, plant and equipment / intangible assets measured as per the previous GAAP and use the carrying value as the deemed cost of Property, plant and equipment / intangible assets.

Note 4: Intangible assets

	Computer software	Total
Gross Block (At Deemed Cost/Cost)		
As at April 01, 2021	**51.32**	**51.32**
Additions	6.72	**6.72**
Disposals	-	-
As at March 31, 2022	**58.04**	**58.04**
Additions	8.44	**8.44**
Disposals	-	-
As at March 31, 2023	**66.48**	**66.48**
Accumulated amortisation		
As at April 01, 2021	**32.46**	**32.46**
Charge for the year	13.14	**13.14**
Disposals	-	-
As at March 31, 2022	**45.60**	**45.60**
Charge for the year	11.22	**11.22**
Disposals	-	-
As at March 31, 2023	**56.82**	**56.82**
Net Block (At Deemed Cost/Cost)		
As at March 31, 2022	**12.44**	**12.44**
As at March 31, 2023	**9.66**	**9.66**

Note 4a: Intangible assets under development

Intangible assets under development	March 31, 2023	March 31, 2022
Opening Balance	1.79	1.79
Additions to Intangible assets under development	-	-
Capitalization from Intangible assets under development to Intangible Assets	(1.79)	-
Closing Balance	-	1.79

As at March 31, 2023
Intangible assets under development ageing schedule

Intangible assets under development	Amount of intangible assets under development for period of				Total
	<1 year	1-2 years	2-3 years	More than 3 years	
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2022
Intangible assets under development ageing schedule

Intangible assets under development	Amount of intangible assets under development for period of				Total
	<1 year	1-2 years	2-3 years	More than 3 years	
- Projects in progress	1.79	-	-	-	1.79
- Projects temporarily suspended	-	-	-	-	-
Total	**1.79**	-	-	-	**1.79**

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 5: Investments

	As at March 31, 2023	As at March 31, 2022
At fair value through profit or loss		
Investment in quoted equity shares		
704 Equity shares (March 31, 2022: 704 shares) of Rs.10 each, fully paid-up in IDBI Bank Limited	0.03	0.03
	0.03	**0.03**
Aggregate book value of quoted investments	0.03	0.03
Aggregate market value of quoted investments	0.03	0.03

Note 6: Loans
(unsecured, considered good, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Non-current		
Employee loans	8.30	4.17
	8.30	**4.17**
Current		
Employee loans	12.83	14.06
	12.83	**14.06**

Note:
The Company has granted loan to employees considering their employment relationship with the Company, where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. There are no amounts of loans granted to employees which are overdue for more than ninety days. Further, there were no loans granted to employees which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same employees.

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties. Further, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment.

Note 7: Other financial assets
(unsecured, considered good, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Non-current		
At amortised cost		
Security deposits	40.05	23.01
	40.05	**23.01**
Current		
At amortised cost		
Export incentive entitlements receivable	42.61	117.97
Interest accrued on fixed deposit	0.10	0.06
Security deposits	-	0.89
At fair value through profit or loss		
Derivative contracts - Foreign Exchange Forward Contract (FEFC)	-	14.64
	42.71	**133.56**

Note 8: Income tax assets/ liabilities (net)

	As at March 31, 2023	As at March 31, 2022
Non-current		
Income tax assets (net)		
Advance income tax [net of provision for taxation amounting to Rs. 146 million(March 31,2022 is Rs. 146 million)]	50.24	64.32
	50.24	**64.32**
Income tax liabilities (net)	45.78	56.88
Liability for current tax [net of advance income tax of Rs. 60 million (March 31,2022 is Nil)]	**45.78**	**56.88**

Note 9: Other assets
(unsecured, considered good, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital advances	45.02	27.20
Deposits with government authorities	14.41	13.68
Vendor advances	-	10.62
Prepaid expenses*	47.17	1.22
Balances recoverable from government authorities	6.84	6.40
	113.44	**59.12**

* Includes unamortised incremental costs of obtaining customer contracts of Rs. 45.77 million (March 31,2022 Rs. Nil)

	As at March 31, 2023	As at March 31, 2022
Current		
Prepaid expenses	49.34	40.33
Balances recoverable from government authorities	281.37	144.72
Deferred expenses*	-	64.28
Vendor advances (refer note 42)	73.45	66.26
	404.16	**315.59**

*Also refer Note 40(b)

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 10: Inventories
(valued at lower of cost and net realisable value)

	As at March 31, 2023	As at March 31, 2022
Raw materials and components	445.20	397.70
Work-in-progress	595.18	546.63
Finished goods	1,191.37	1,026.45
Stores, spares and tools	74.31	90.66
	2,306.06	**2,061.44**

Notes:
(a) Inventories in transit:

Raw materials and components	62.35	39.90
Finished goods	434.34	439.02
	496.69	**478.92**

(b) The amount of write-down of inventories including on account of carrying inventories at net realisable value recognised/(reversed) during the year is Rs. (41.25) Million (March 31, 2022: Rs.49.30 Million).

(c) Inventory lying with third parties

Finished goods	341.63	279.27
	341.63	**279.27**

Note 11: Trade receivables
(unsecured, considered good, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
Non current		
Trade receivables - others [including unbilled revenue of Rs.NIL (March 31, 2022: Rs. 37.79 Million)]	-	37.79
	-	**37.79**

Current	As at March 31, 2023	As at March 31, 2022
Trade receivables - others [including unbilled revenue of Rs.55.51 Million (March 31, 2022: Rs.16.03 Million)]	1,925.91	1,508.67
Less: Expected credit loss allowance (simplified approach)	(20.74)	(14.77)
	1,905.17	**1,493.90**

Notes:
(i) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
(ii) No trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member except for amount due from Maini Materials Movement Private Limited amounting to Rs. 1.33 Million as at March 31, 2023 (March 31, 2022: Rs. Nil) and in Virya Mobility 5.0 LLO anounting to Rs. 4.12 million as at March 31, 2023 (March 31, 2022 : Rs. Nil) in which there is a common director. Also refer note 32.
(iii) Trade receivables are non interest bearing and generally on terms of upto 90 days.
(iv) Movement in expected credit loss allowance under simplified approach are provided in the table below:

Expected credit loss allowance:	For the year ended March 31, 2023	For the year ended March 31, 2022
At the beginning of the year	14.77	14.99
Provision made during the year (net)	5.97	-
(Utilized) / reversed during the year (net)	-	(0.22)
At the end of the year	**20.74**	**14.77**

Trade Receivables ageing schedule

As at March 31, 2023	Unbilled revenue	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	60.04	1,552.98	310.56	2.33	-	-	-	**1,925.91**
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables credit impaired	-	-	-	-	-	-	-	-

As at March 31, 2022	Unbilled revenue	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	53.82	1,226.75	265.89	-	-	-	-	**1,546.46**
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed trade receivables considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 12: Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.04	0.00
Balance with banks:		
- on current accounts	1.79	5.17
- on Exchange Earner's Foreign Currency ('EEFC') accounts	11.98	21.09
- on cash credit accounts	-	33.49
- on deposits with original maturity of less than 3 months	-	3.20
	13.81	**62.95**

Note: Changes in liabilities arising from financing activities*:	Non-current borrowings	Current borrowings	Current maturities of long term borrowing	Interest accrued
As at April 01, 2021	**3,283.34**	**1,659.14**	**293.67**	**8.34**
Cash inflow	179.58	155.24	-	-
Cash outflow	(132.12)	-	(293.67)	(188.94)
Interest expenses	-	-	-	187.02
Loss/(gain) on fair valuation of CCPS	360.88	-	-	-
Others **	(323.38)	-	323.38	-
Effect of changes in exchange difference	-	(2.06)	-	-
As at March 31, 2022	**3,368.30**	**1,812.32**	**323.38**	**6.42**
As at April 01, 2022	**3,368.30**	**1,812.32**	**323.38**	**6.42**
Cash inflow	11.20	513.43	-	-
Cash outflow**	-	-	(314.75)	(184.58)
Interest expenses	-	-	-	186.10
Loss/(gain) on fair valuation of CCPS	(895.52)	-	-	-
Others **	(714.01)	-	722.64	-
Effect of changes in exchange difference	-	(38.61)	-	-
As at March 31, 2023	**1,769.97**	**2,287.14**	**731.27**	**7.94**

* Changes in liabilities arising from lease liabilities are covered in note 41.
** Represents movement between current maturities of long term borrowing and non-current borrowings and effect of changes in principal repayment on account of change in interest rate.

Note 13: Bank balances other than cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Balance with banks:		
-bank deposits with original maturity of more than 3 months but less than 12 months	0.61	1.97
	0.61	**1.97**

S.R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 14: Share capital

Authorised share capital

Equity Shares:

	Number of shares (in million)	Rs. in million
As at April 01, 2021	12.00	120.00
Increase / (decrease) during the year*	48.00	-
As at March 31, 2022	**60.00**	**120.00**
As at April 01, 2022	60.00	120.00
Increase / (decrease) during the year	-	-
As at March 31, 2023	**60.00**	**120.00**

Preference Shares:

Compulsorily Convertible Cumulative Preference Shares (CCPS) of Rs. 10 each	Number of shares (in million)	Rs. in million
As at April 01, 2021	28.50	285.00
Increase / (decrease) during the year	-	-
As at March 31, 2022	**28.50**	**285.00**
As at April 01, 2022	**28.50**	**285.00**
Increase / (decrease) during the year	-	-
As at March 31, 2023	**28.50**	**285.00**

Issued, subscribed and fully paid up equity share capital

	Number of shares (in million)	Rs. in million
As at April 01, 2021	8.26	82.63
Increase / (decrease) during the year*	33.05	-
As at March 31, 2022	**41.31**	**82.63**
As at April 01, 2022	**41.31**	**82.63**
Increase / (decrease) during the year	-	-
As at March 31, 2023	**41.31**	**82.63**

a) Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the reporting year

Equity Shares	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Number of shares (in million)	Rs. in million	Number of shares (in million)	Rs. in million
Number of shares and capital outstanding at the beginning of the year	41.31	82.63	8.26	82.63
Add: Split of face value of equity shares from Rs. 10 per share to Rs. 2 per share*	-	-	33.05	-
Total	**41.31**	**82.63**	**41.31**	**82.63**

*Pursuant to the approval of the shareholders of the Company on October 27, 2021, 12 Million equity shares of face value Rs.10 each were sub-divided into 60 Million equity shares of face value Rs. 2 each.

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

Name of the shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares (in million)	% holding	Number of shares (in million)	% holding
Equity shares of Rs. 2 each fully paid				
Mr. Gautam Maini (Managing Director)	9.41	22.77%	9.41	22.77%
Mr. Sandeep Kumar Maini (Director)	12.38	29.95%	12.38	29.95%
Mr. Chetan Kumar Maini	9.41	22.77%	9.41	22.77%
Paragon Partners Growth Fund I	5.50	13.30%	5.50	13.30%

c) Terms/ rights attached to Equity Shares

The Company has only one class of equity shares with voting rights having a par value of Rs. 2 per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownership of shares.

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Refer note 14 a) as regards sub-division of equity shares.

e) Shares reserved for issue under options

i) During the year ended March 31, 2017 and March 31, 2020, the Company had issued 2,400,000 'Series A', 0.0001% Compulsorily Convertible Cumulative Preference Shares and 625,000 'Series B', 0.0001% Compulsorily Convertible Cumulative Preference Shares (collectively referred to as 'CCPS'), respectively, which are held by the investors. The instrument has been designated as financial liability measured at fair value through profit or loss as at each Balance Sheet date. Also refer note 16 under borrowings.

ii) The Company has adopted the Maini Stock Option Scheme 2021 ('ESOP 2021') pursuant to authorisation given by Board in its meeting held on October 27, 2021, and by the shareholders of the Company pursuant to special resolution passed at the general meeting of the Company held on October 27, 2021.The approved Employee Stop Options Plan (ESOP 2021) to create, offer, issue and allot at any time, to the employees identified as eligible employees under the ESOP 2021, options that are exercisable into a maximum of 655,481 equity shares at such price and on such terms and conditions as may be fixed or determined by the Company, in accordance with the ESOP 2021. As at March 31, 2023 and March 31, 2022, no ESOP have been granted or vested.

f) Promoter's shareholding:

As at March 31, 2023

S. No.	Promoter Name	No. of shares at the beginning of the year(in Millions)	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Equity shares of Rs. 2 each fully paid	Mr. Gautam Maini (Managing Director)	9.41	-	9.41	22.77%	-
Equity shares of Rs. 2 each fully paid	Mr. Sandeep Kumar Maini (Director)	12.38	-	12.38	29.95%	-
Equity shares of Rs. 2 each fully paid	Mr. Chetan Kumar Maini	9.41	-	9.41	22.77%	-
Total		**31.20**	-	**31.20**	**75.49%**	-

As at March 31, 2022

S No	Promoter Name	No. of shares at the beginning of the year(in Millions)	changes during the year*	No. of shares at the end of the year	% of Total shares	% change during the year
Equity shares of Rs. 2 each fully paid	Mr. Gautam Maini (Managing Director)	1.88	7.53	9.41	22.77%	-
Equity shares of Rs. 2 each fully paid	Mr. Sandeep Kumar Maini (Director)	2.48	9.90	12.38	29.95%	-
Equity shares of Rs. 2 each fully paid	Mr. Chetan Kumar Maini	1.88	7.53	9.41	22.77%	-
Total		**6.24**	**24.96**	**31.20**	**75.49%**	-

*Pursuant to the approval of the shareholders of the Company on October 27, 2021, 12 Million equity shares of face value Rs.10 each were sub-divided into 60 Million equity shares of face value Rs. 2 each.

g) As at March 31, 2023, New Quest Asia Investments II Limited holds 5,621,622 Series A CCPS, 146,396 Series B CCPS and 1,681,355 equity shares of the Company. Subsequent to the year ended March 31, 2023, New Quest Asia Investments II Limited, KMaini Motorsports India Private Limited (an Entity controlled by KMP and/or its relatives) and the Company have entered into Share Purchase Agreement, whereby, KMaini Motorsports India Private Limited has agreed to purchase the shares held by New Quest Asia Investments II Limited as per the terms and conditions as specified in the said Agreement. The said transaction is not completed as at the date of adoption of these financial statements.

Note 15: Other equity	As at March 31, 2023	As at March 31, 2022
Capital reserve	0.41	0.41
General reserve	7.38	7.38
Securities premium	83.17	83.17
Other reserve	424.91	424.91
Retained earnings	71.72	(997.34)
	587.59	**(481.47)**

Capital Reserve	
As at April 01, 2021	0.41
Transferred during the year	-
As at March 31, 2022	**0.41**
As at April 01, 2022	**0.41**
Transferred during the year	-
As at March 31, 2023	**0.41**

S.R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

General reserve	
As at April 01, 2021	7.38
Transferred during the year	-
As at March 31, 2022	**7.38**
As at April 01, 2022	**7.38**
Transferred during the year	-
As at March 31, 2023	**7.38**
Securities premium	
As at April 01, 2021	83.17
Transferred during the year	-
As at March 31, 2022	**83.17**
As at April 01, 2022	**83.17**
Transferred during the year	-
As at March 31, 2023	**83.17**
Other reserve	
As at April 01, 2021	587.72
Less: Reversal/Transfer on account of sale of land (refer note 40)	(162.81)
As at March 31, 2022	**424.91**
As at April 01, 2022	**424.91**
Transferred during the year	-
As at March 31, 2023	**424.91**
Retained earnings	
As at April 01, 2021	(998.37)
Profit/(loss) for the year	(182.67)
Add: Reversal/Transfer on account of sale of land (refer note 40)	162.81
Dividend on CCPS paid (Rs. 246)	(0.00)
Other comprehensive income	20.89
As at March 31, 2022	**(997.34)**
As at April 01, 2022	**(997.34)**
Profit/(loss) for the year	1,081.96
Dividend on CCPS paid (Rs. 246)	(0.00)
Other comprehensive income	(12.90)
As at March 31, 2023	**71.72**

Nature and Purpose of Reserves:

1) Capital reserve: Capital reserve represents reserve towards capital subsidy received by the Company.

2) General reserve: General reserve represents appropriation of profit.

3) Securities premium: Securities premium is used to record the premium received on issue of shares and the same is to be utilised in accordance with the provisions of Companies Act, 2013.

4) Other reserve: Other reserve represents balance in the revaluation reserve on revaluation of land as at the Ind AS transition date April 01,2019 as adjusted for sale of land during the year ended March 31,2022.

5) Retained earnings: Retained earnings represents the profits earned till date, less any transfer to/from general reserve, dividends or other distributions to the shareholders.

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 16: Borrowings

	As at March 31, 2023	As at March 31, 2022
Non Current		
At amortised cost		
Secured		
Term loans from banks	499.14	575.12
Vehicle loans from banks	10.58	0.20
Term loans from banks under Emergency Credit Line Guarantee (ECLG) scheme	141.63	379.58
At fair value through profit or loss		
Unsecured		
0.0001% CCPS (refer note 6 below) (also refer note 32)		
Series A	1,264.34	2,222.01
Series B	576.92	514.77
	2,492.61	**3,691.68**
Less:		
Current maturities of long-term borrowings (disclosed as current borrowings)		
At amortised cost		
Term loans from banks	201.37	227.66
Vehicle loans from banks	1.95	0.20
Term loans from banks under ECLG scheme	88.04	95.52
At fair value through profit or loss		
Unsecured		
0.0001% CCPS (refer note 6 below) (also refer note 32)		
Series A	296.15	-
Series B	135.13	-
	722.64	**323.38**
	1,769.97	**3,368.30**
Current		
At amortised cost		
Secured		
Loan from banks repayable on demand		
Cash credit	11.18	0.44
Export packing credit	1,720.78	1,245.82
Bill discounting	63.99	286.97
Current maturities of long term borrowings	722.64	323.38
Unsecured		
Loan from banks repayable on demand		
Bill discounting	499.82	279.09
	3,018.41	**2,135.70**

Notes
Borrowing details:

1. Secured loans - term loans from banks
(a) Repayment terms: repayable in 16-72 months/quarterly in equal monthly/quarterly instalments by FY 2026.
(b) Security details: secured by charge on movable assets and current assets and an extension of the charge on immovable assets of the Company and backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the Company.
(c) Interest rate p.a.: 7% to 9%.

The Company has not complied with certain covenants as per the relevant lender agreement. Based on past experience of the Company and waiver received from the lenders, the Company has classified these borrowings as current / non-current as per the original terms of the agreement.

2. Secured loans - vehicle loans from banks
(a) Repayment terms: repayable in 60 months in equal monthly instalments by FY 2028.
(b) Security details: secured by hypothecation of vehicle of the Company financed by such borrowings.
(c) Interest rate p.a.: 7%to 9%

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

3. Secured loans - term loans from banks under ECLG scheme
(a) Repayment terms: repayable in 48 months in equal monthly instalments by FY 2026.
(b) Security details: secured by charge on movable, immovable assets and current assets of the Company and guaranteed by National Credit Guarantee Trustee Company Limited (Ministry of Finance, Government of India) and also backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Maini, Director of the Company.

(c) Interest rate p.a.: 6% to 8%.

4. Secured loans - loan from banks repayable on demand
(a) Repayment terms: repayable on demand.
(b) Security details: secured by charge on current assets and an extension of the charge on movable assets / immovable plant, property and equipment of the Company of the Company and backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the Company.

(c) Interest rate p.a.: Reporting currency borrowings - 9% to 10% and Foreign currency borrowings - 1% to 5%

5. Unsecured loans - loan from banks repayable on demand
(a) Repayment terms: repayable on demand.
(b) Security details: unsecured loan backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the Company.
(c) Interest rate p.a.: 6% to 9%.

6. Terms of conversion/redemption of CCPS
As per the terms of instrument, the investors have certain redemption options including return thereon determined as per the relevant agreement. CCPS is convertible in whole or in part, into equity shares as per the terms of the relevant agreement at any time before 19 years from the date of issuance at the option of the holder of such CCPS at a ratio determined as per the relevant agreement. If the holder exercises the option, the Company will issue 1 equity share for 2.62 ('Series A' CCPS) and 0.32 ('Series B' CCPS) [post share split] preference share held. The investors have various rights/option as per the relevant clause of the Agreement including buy back of shares by the Company. The instrument has been designated as financial liability measured at fair value through profit or loss as at each Balance Sheet date.

CCPS carry cumulative dividend @ 0.0001% p.a. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holders of CCPS shall be entitled to attend all meetings of the shareholders of the Company and will be entitled to such voting rights on an 'as if converted' basis.

CCPS alloted will have priority with respect to payment of dividend in a liquidation event. The holder of the CCPS shall have preference over the other shareholders of the Company, including promoters for return of their capital. The proceeds of liquidation event shall be distributed as determined as per the relevant agreement.

Fair value (Gain)/Loss on CCPS (designated at Fair Value through Profit and Loss (FVTPL)) in the statement of Profit and Loss represents the fair value changes (net) on the outstanding CCPS and is in the nature of non cash item for the year.

Details of CCPS Shareholding

Name of the shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares (in million)	% holding	Number of shares (in million)	% holding
'Series A' CCPS of Rs. 10 each				
Paragon Partners Growth Fund I	18.38	76.58%	18.38	76.58%
New Quest Asia Investments II Limited	5.62	23.42%	5.62	23.42%
'Series B' CCPS of Rs. 10 each				
Paragon Partners Growth Fund I	0.48	76.58%	0.48	76.58%
New Quest Asia Investments II Limited	0.15	23.42%	0.15	23.42%

Note: There is no promoters shareholding of CCPS. Also there is no change in shareholding of CCPS in current and previous years. Also, refer note 14(g).

Note 17: Lease liabilities

	As at March 31, 2023	As at March 31, 2022
<u>**Non current**</u>		
At amortised cost		
Lease liabilities (refer note 41)	229.07	246.69
	229.07	**246.69**
<u>**Current**</u>		
At amortised cost		
Lease liabilities (refer note 41)	42.09	41.66
	42.09	**41.66**

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 18: Other financial liabilities

	As at March 31, 2023	As at March 31, 2022
Current		
At amortised cost		
Employee benefits payable	171.35	207.55
Payable to capital creditors	27.29	17.39
Interest accrued on borrowings	7.94	6.42
Security deposit	0.50	0.50
Liabilities towards derivative contracts, net	10.39	-
	217.47	**231.86**

Note 19: Provisions

	As at March 31, 2023	As at March 31, 2022
Non current provisions		
Provision for employee benefits		
Gratuity (refer note 34)	227.24	170.39
	227.24	**170.39**
Current provisions		
Provision for employee benefits		
Gratuity (refer note 34)	10.00	10.00
Leave benefits	38.93	31.16
Provision for warranties (refer note below)	3.64	2.88
	52.57	**44.04**

Note: Provision for warranties

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next 12 months period. Assumptions used to calculate the provision for warranties are current sales level and past level of repairs and returns. The movement in provision is as below.

Movement during the year - provision for warranty	As at March 31, 2023	As at March 31, 2022
Opening balance	2.88	**2.06**
Provided during the year	0.76	0.82
Closing balance	**3.64**	**2.88**

Note 20: Deferred tax liabilities (net)

		As at March 31, 2023	As at March 31, 2022
Gross deferred tax liabilities			
Property plant and equipment and Intangible assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting		199.92	228.80
Others		-	3.51
	(A)	**199.92**	**232.31**
Gross deferred tax assets			
Gratuity		59.71	45.40
Lease Liabilities		14.06	11.97
Employee Benefits Payable		8.16	8.02
Others		20.61	39.94
	(B)	**102.54**	**105.34**
Net deferred tax liabilities (A-B)		**97.38**	**126.97**

Note: Also refer note 31 for details.

S.R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 21: Trade payables
At amortised cost

	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note (b) below)	98.70	84.18
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 32)	919.90	903.39
	1,018.60	**987.57**

Terms and conditions of above trade payables:
a. Trade payables are non-interest bearing and are normally settled upto 90 days terms.
b. Amounts due to micro, small and medium enterprises ('MSME') under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) is based on the information available with the Company and is as summarised below:

Disclosure as per the MSMED Act, 2006 :
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year

	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to MSME (Micro, small and medium enterprise) supplier as at the end of each accounting year:	98.63	83.62
Interest due thereon remaining unpaid to MSME supplier as at the end of each accounting year	0.08	0.26
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	0.57	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.07	0.26
The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0.07	0.56

Trade payables ageing schedule

<u>As at March 31, 2023</u>

a) Trade payables where due date of payment is available

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	98.63	-	-	-	**98.63**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	798.14	3.00	3.74	1.42	**806.29**
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

b) Trade payables other than (a) above*

	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	0.07	-	-	-	**0.07**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	113.61	-	-	-	**113.61**
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

As at March 31, 2022

a) Trade payables where due date of payment is available

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	83.62	-	-	-	**83.62**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	722.50	4.60	2.06	1.31	**730.47**
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

b) Trade payables other than (a) above*

	Outstanding for following periods from date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	0.56	-	-	-	**0.56**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	172.77	-	-	-	**172.77**
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-

*Represents mainly accrued expenses and liability towards goods in transit (inwards) as at respective balance sheet date.

Note 22: Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Advance from customers	0.08	0.03
Withholding taxes payable	11.54	8.70
Other statutory dues payable	37.61	12.99
	49.23	**21.72**

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 23: Revenue from operations (Also refer note 32 and 42)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of goods		
- Automotive and Industrial	5,530.33	5,120.28
- Aerospace	1,639.10	829.56
Sale of services - Engineering services	24.60	15.43
Other operating revenue		
Export incentive entitlement	91.35	81.62
Scrap sales	180.87	103.73
	7,466.25	**6,150.62**

Note 24: Other income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income		
- on bank deposits	0.13	0.04
- on other financial assets at amortised cost	6.89	4.80
- on other deposits	0.61	0.26
Fair value gain on financial instruments at fair value through profit or loss		
- on investments	0.00	0.01
- on CCPS	895.52	-
- on derivative contracts other than CCPS	-	1.25
Exchange differences (net)	27.38	107.62
Gain on sale/disposal of plant, property and equipment (net)	3.84	0.17
Liabilities and provisions no longer required written back	7.62	0.72
Provision for expected loss allowance written back	-	0.22
Miscellaneous income	5.14	3.88
	947.13	**118.97**

Note 25: Cost of materials consumed

	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw materials and components consumed (refer note 32)	3,843.99	3,263.61
	3,843.99	**3,263.61**

Note 26: Changes in inventories of finished goods and work-in-progress

	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year (refer note 10)		
Work-in-progress	546.63	397.48
Finished goods	1,026.45	749.64
	1,573.08	**1,147.12**
Less: Inventory at the end of the year (refer note 10)		
Work-in-progress	595.18	546.63
Finished goods	1,197.06	1,026.45
	1,792.24	**1,573.08**
(Increase)/Decrease in inventories of finished goods and work-in-progress	**(219.16)**	**(425.96)**

Note 27: Employee benefit expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,158.20	1,051.57
Contribution to provident fund and other funds	82.72	71.46
Gratuity expenses (refer note 34)	39.74	38.22
Staff welfare expenses	78.99	64.33
	1,359.65	**1,225.58**

Note 28: Depreciation and amortisation expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 3)	361.53	354.75
Depreciation of right-of-use assets (refer note 3)	54.65	52.44
Amortisation of intangible assets (refer note 4)	11.21	13.14
	427.39	**420.33**

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 29: Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on		
- financial liabilities at amortised cost	184.81	180.94
- lease liabilities (refer note 41)	26.61	27.29
Interest on shortfall in payment of advance Income tax	4.79	-
Interest on duties and taxes	21.01	-
Other borrowing costs	1.29	6.08
	238.51	**214.31**

Note 30: Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Short term Lease rentals	4.61	7.28
Contract labour charges	166.07	115.80
Job processing charges	601.24	498.81
Power, fuel and water	188.08	164.58
Repairs and maintenance		
Building	31.68	5.48
Plant and Machiinery	33.26	24.99
Others	28.30	25.48
Insurance	27.65	24.83
Rates and taxes	14.66	15.82
Carriage outwards	194.45	345.62
Warehousing handling charges	75.20	62.66
Legal and professional*	58.08	37.09
Travelling and conveyance	26.73	20.32
Provision for warranty	0.76	0.82
Advances written off	2.44	-
Expected credit loss allowance	5.97	-
Loss on fair valuation of CCPS	-	360.88
Loss on mark to market of derivative contracts other than CCPS	10.39	-
Corporate social responsibility expenditure (refer note a below)	1.73	2.62
Director's sitting fees (Refer note 32)	0.56	0.50
Miscellaneous expenses	81.18	74.42
	1,553.04	**1,787.99**

***Payment to Auditors (Included in legal and professional fees above)**	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fee	3.50	3.50
Out of Pocket expenses	0.20	0.10
	3.70	**3.60**

Note (a) Details of expenses incurred on Corporate Social Responsibility (CSR):	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Gross amount required to be spent during the year	1.73	2.62
Details of amount spent during the year	1.73	2.62

ii) Amount spent during the year ended March 31, 2023	Amount paid	Yet to be paid	Total
i. Construction/acquisition of any asset	-	-	-
ii. On purposes other than above (refer note b below)	1.73	-	1.73

iii) Amount spent during the year ended March 31, 2022	Amount paid	Yet to be paid	Total
i. Construction/acquisition of any asset	-	-	-
ii. On purposes other than above (refer note b below)	2.62	-	2.62

(b) The above amount spent represents spend by way of contribution to Charitable Trust - Gramothan Foundation, a related party (also refer note 32)

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 31: Tax expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
- Current income tax charge	85.32	52.16
	85.32	**52.16**
Deferred tax		
- Relating to the origination and reversal of temporary differences		
> Decrease/(increase) in deferred tax assets	7.14	13.67
> (Decrease)/increase in deferred tax liabilities	(32.39)	(62.04)
	(25.25)	**(48.37)**
Taxes pertaining to earlier years	-	**6.54**
Tax expense reported in the Statement of profit or loss	**60.07**	**10.33**
Deferred tax related to items recognised in Other Comprehensive Income		
Income tax charge/(credit) relating to re-measurement gains/losses on defined benefit plan	4.34	(7.02)
Tax expense reported in the Other comprehensive income	**4.34**	**(7.02)**

	For the year ended March 31, 2023	For the year ended March 31, 2022
1) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:		
Accounting profit / (loss) before income tax	**1,209.96**	**(216.28)**
Enacted tax rate in India	**25.17%**	**25.17%**
Tax on accounting profit at statutory income tax rate	304.52	(54.43)
Impact of gain/loss on fair valuation of CCPS	(225.38)	90.83
Reversal of deferred tax on account of sale of land (refer note 40(a))	-	(40.98)
Others	(19.07)	14.91
Tax expense reported in the Statement of profit or loss	**60.07**	**10.33**
2) Reconciliation of deferred tax assets/(liabilities) (net):		
Opening balance	(126.97)	(168.32)
Tax credit/(charge) recognised in profit or loss	25.25	48.37
Tax credit/(charge) recognised in OCI	4.34	(7.02)
Closing balance	**(97.38)**	**(126.97)**

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 32: Related party disclosure

(i) List of related parties and relationship

A) List of related parties

Name of the party	Nature of relationship
i. Key management personnel ('KMP'):	
Mr. Gautam Maini	Managing director ('MD')/Major Shareholder of the Company
Mr. Sandeep Kumar Maini	Director/Major Shareholder of the Company
Mr. Tarak B Madhani	Director (resigned w.e.f November 11, 2021)
Mr. Rahul Matthan	Director
Mr. Siddharth Deepak Pareekh	Director
Mr. Nitin Lalpuria	Director
Dr. Kewal Krishan Nohria	Director
Ms. Rukmani Menon	Director
Mr. V. Sridhar	Whole time Director & Chief Financial Officer
Mr. Vijayesh Rajendran	Company Secretary
ii. Other related parties:	
Mr. Chetan Kumar Maini	Major Shareholder of the Company
Paragon Partners Growth Fund I	Major Shareholder of the Company
New Quest Asia Investments II Limited	Major Shareholder of the Company
Bangalore Transport Finance Company	Entity controlled by KMP and it's relatives
Virya Mobility 5.0 LLP	Entity controlled by KMP and it's relatives
Gramothan Foundation	Entity controlled by KMP and it's relatives
Maini Materials Movement Private Limited	Entity controlled by KMP and it's relatives
Armes Maini Storage Systems Private Limited	Entity controlled by KMP and it's relatives
Print Brew	Entity controlled by KMP and it's relatives

B) Aggregate amount of transactions during the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend on CCPS		
Paragon Partners Growth Fund I (March 31,2023: Rs,188 and March 31,2022: Rs.188)	0.00	0.00
New Quest Asia Investments II Limited (March 31,2023:Rs.58 and March 31,2022: Rs.58)	0.00	0.00
Fair value change in CCPS: (Gain)/Loss		
Paragon Partners Growth Fund I	(685.76)	277.87
New Quest Asia Investments II Limited	(209.76)	83.00
Remuneration (including commission, bonus and provident fund)		
Mr. Gautam Maini	14.25	13.62
Mr. V Sridhar	8.71	8.49
Mr. Vijayesh Rajendran	1.79	1.42
Sitting fees		
Mr. Tarak B Madhani	-	0.10
Dr. Kewal Krishan Nohria	0.14	0.07
Ms. Rukmani Menon	0.18	0.25
Mr. Sandeep Kumar Maini	0.03	0.04
Mr. Rahul Matthan	0.21	0.04
Sale of goods		
Maini Materials Movement Private Limited	1.09	0.17
Virya Mobility 5.0 LLP	3.40	-
Sale of Services		
Maini Materials Movement Private Limited	1.12	-
Contribution towards CSR expenses		
Gramothan Foundation	1.73	2.62
Purchase of property, plant and equipment		
Maini Materials Movement Private Limited	5.73	0.56
Purchase of raw materials		
Maini Materials Movement Private Limited	1.57	1.57
Armes Maini Storage Systems Private Limited	-	0.01

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Other expenses		
i. Carriage outwards		
Bangalore Transport Finance Company	4.20	3.68
ii. Repairs and maintenance		
Print Brew	0.42	0.22
Armes Maini Storage Systems Private Limited	0.67	-
iii. Miscellaneous expenses		
Print Brew	0.01	-
iv. Travelling and conveyance		
Bangalore Transport Finance Company	9.80	11.60
Payment made towards lease liabilities		
Mr. Gautam Maini	3.24	3.24
Maini Materials Movement Private Limited	20.04	19.08
Reimbursement of Expenses		
Maini Materials Movement Private Limited	3.72	-
Mr. Gautam Maini	1.33	-
Mr. V. Sridhar	0.80	-
Mr. Vijayesh Rajendran	0.07	-

C) **Balances as at the year end:**	As at March 31, 2023	As at March 31, 2022
Trade payables		
Maini Materials Movement Private Limited	1.04	1.72
Mr. Gautam Maini	-	0.24
Vendor advances		
Bangalore Transport Finance Company	0.09	2.87
Capital creditors		
Maini Materials Movement Private Limited	6.05	-
Liability towards CCPS (Disclosed as Borrowings)		
Paragon Partners Growth Fund I	1,409.97	2,095.73
New Quest Asia Investments II Limited	431.29	641.05
Trade Receivables		
Maini Materials Movement Private Limited	1.33	-
Virya Mobility 5.0 LLP	4.12	-

D) Other information:

1. The transactions with related parties are made by the Company on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.
2. Refer note 16 for details of personal guarantees provided by the Company's directors for the borrowings of the Company.
3. As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to remuneration to the directors are not ascertainable and, therefore, not included above.
4. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 and Section 177 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.
5. Refer note 14 a) as regards split of Equity share of the company for the year ended March 31, 2022.
6. Also refer note 14(g).

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 33: Fair values

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

> The management has measured the investments in quoted equity shares at fair value through profit and loss, which are valued using the quoted market prices in active markets for identical investments.

> The Company enters into derivative financial instruments with banks/financial institutions in the nature of foreign exchange forward contracts ('FEFC'), which are valued using valuation techniques and market observable inputs. The models incorporate various inputs including the deal specific fundamentals, market conditions, maturity period, transaction size, comparable trades, interest rate curves, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, etc.

> CCPS issued by the Company have been designated by the Company as financial liability carried at fair value through profit and loss. The Company has valued the instrument by using the discounted cash flow model. The fair valuation requires management to make certain judgments about the model inputs, including forecast cash flows, discount rate, credit risk and volatility.

> The management assessed that the carrying values of cash and bank balances, trade receivables, trade payables, and other financial assets and liabilities approximate their fair values largely due to their short-term maturities.

> The management assessed that the carrying values of bank deposits, borrowings and other financial assets and liabilities approximate their fair values based on cash flow discounting using parameters such as interest rates, tenure of instrument, creditworthiness of the customer and the risk characteristics of the financed project, as applicable.

All the financial assets and liabilities (except as stated below) are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs as explained above. There have been no transfers between levels during the year.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	March 31, 2023		March 31, 2022	
	Carrying value	Fair value (Level 1)	Carrying value	Fair value (Level 1)
Financial assets				
Measured at fair value through profit and loss				
Investment in quoted equity shares	0.03	0.03	0.03	0.03

Particulars	March 31, 2023		March 31, 2022	
	Carrying value	Fair value (Level 2)	Carrying value	Fair value (Level 2)
Financial Assets				
Measured at fair value through profit and loss				
Derivative contracts - Foreign Exchange Forward Contract (FEFC)	-	-	14.64	14.64
Financial Liabilities				
Measured at fair value through profit or loss				
Liabilities towards derivative contracts, net	10.39	10.39	-	-

Particulars	March 31, 2023		March 31, 2022	
	Carrying value	Fair value (Level 3)	Carrying value	Fair value (Level 3)
Financial Assets				
Measured at amortised cost				
Trade receivables including unbilled revenue	1905.17	1,905.17	1,531.69	1,531.69
Cash and cash equivalents	13.81	13.81	62.95	62.95
Bank balances other than cash and cash equivalents	0.61	0.61	1.97	1.97
Loans	21.13	21.13	18.23	18.23
Other financial assets	82.76	82.76	141.93	141.93
Financial Liabilities				
Measured at amortised cost				
Lease Liabilities	271.16	271.16	288.35	288.35
Trade payables	1018.6	1,018.60	987.57	987.57
Other financial liabilities	217.47	217.47	231.86	231.86
Borrowings	2,947.12	2,947.12	2,767.22	2,767.22
Measured at fair value through profit or loss				
CCPS of Rs 10 each				
0.0001% CCPS				
Series A	1,264.34	1,264.34	2,222.01	2,222.01
Series B	576.92	576.92	514.77	514.77

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Following table describes the valuation techniques used and key inputs to valuation of CCPS:

Sensitivity of the inputs to Fair value	Fair value hierarchy	Valuation techniques	Inputs used
For 1% increase in discounting rate, profit before tax will increase by Rs. 120.14 million for the year ended March 31, 2023 and for 1% decrease in discounting rate, profit before tax will decrease by Rs. 143.19 million for the year ended March 31, 2023.	Level 3	Market valuation techniques	Valuation done by a third party valuation expert by using the DCF method
For 1% increase in discounting rate, loss before tax will decrease by Rs. 253.27 million for the year ended March 31, 2022 and for 1% decrease in discounting rate, loss before tax will increase by Rs. 306.69 million for the year ended March 31, 2022.	Level 3	Market valuation techniques	Valuation done by a third party valuation expert by using the DCF method

Reconciliation of Fair value measurement of CCPS:

Particulars	Rs in million
As at April 01, 2021	**2,375.90**
Fair Value changes for the year	360.88
As at March 31, 2022	**2,736.78**
As at April 01, 2022	**2,736.78**
Fair Value changes for the year	(895.52)
As at March 31, 2023	**1,841.26**

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 34: Defined benefit plan - Gratuity

The Company has a defined benefit gratuity plan, wherein employee who has completed five years of service is entitled to specific benefit determined based on the member's length of service and salary at retirement age. The gratuity plan provides a lumpsum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.

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

Changes in the defined benefit obligation and fair value of plan assets for the year ended

	As at March 31, 2023	As at March 31, 2022
Expenses recognised in statement of profit and loss		
Current service cost	26.54	26.48
Interest cost	20.61	18.99
Interest income on plan assets	(7.54)	(7.25)
Defined benefit cost included in statement of profit and loss	**39.61**	**38.22**
Remeasurement effects recognised in other comprehensive income (OCI)		
Actuarial (gain) / loss due to demographic assumption changes on plan liabilities	-	-
Actuarial (gain) / loss due to financial assumption changes on plan liabilities	(10.69)	(18.62)
Actuarial (gain) / loss due to experience adjustments on plan liabilities	25.24	(9.88)
Actuarial (gain) / loss due to financial assumption changes on plan assets	2.68	0.59
Actuarial (gain) / loss due to experience adjustments on plan assets	-	-
Total actuarial (gain) / loss included in OCI	**17.23**	**(27.91)**
Change in present value of defined benefit obligation		
Obligation at beginning of the year	284.48	279.57
Current service cost	26.54	26.48
Interest cost	20.61	18.99
Benefits settled	(10.11)	(12.06)
Actuarial (gain)/loss (refer above for details)	14.55	(28.50)
Obligation at end of the year	**336.07**	**284.48**
Change in fair value of plan assets		
Plan assets at beginning of the year, at fair value	104.10	106.65
Interest income on plan assets	7.54	7.25
Actuarial gain/(loss)	(2.68)	(0.59)
Benefits settled	(10.11)	(12.06)
Contributions	-	2.84
Plan assets at end of the year, at fair value	**98.85**	**104.09**

	As at March 31, 2023	As at March 31, 2022
Net defined liability/(asset) recognised in the balance sheet		
Present value of defined benefit obligation at the end of the year	336.07	284.48
Less: Fair value of plan assets at the end of the year	(98.85)	(104.09)
	237.22	**180.39**
Current portion	10.00	10.00
Non current portion	227.22	170.39
Major categories of plan assets as a percentage of the fair value of the total plan assets:		
Investment in insurance fund	100%	100%
Contributions likely to be made for next one year:		
Contribution to insurance fund	10.00	10.00

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Assumptions	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.45%	7.25%
Future salary increases	1st two years: 7%; 8% thereafter	1st two years: 7%; 8% thereafter
Employee turnover, based on age		
Upto 30 years	5.00%	5.00%
31-40 years	3.00%	3.00%
Above 40 years	2.00%	2.00%
Estimated rate of return on plan assets	7.45%	7.25%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

(i)The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ii) Plan characteristics and Associated Risks

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

a. Discount rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield fall, the defined benefit obligation will tend to increase.

b. Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a shorter career employee typically costs less per year as compared to a long service employee.

(iii) The overall expected rate of return on assets is determined based on the market prices prevailing on that day, applicable to the period over which the obligation is to be settled. The change in expected rate of return on asset and discount rate is due to change in market scenarios.

Sensitivity analysis	**As at March 31, 2023**	**As at March 31, 2022**
Effect of + 1% change in rate of discounting	(35.53)	(31.48)
Effect of - 1% change in rate of discounting	42.02	37.48
Effect of + 1% change in rate of salary growth rate	36.17	34.82
Effect of - 1% change in rate of salary growth rate	(34.06)	(31.21)
Effect of + 50% change in rate of employee turnover	(2.11)	(2.83)
Effect of - 50% change in rate of employee turnover	2.41	3.28

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Expected cash outflows in future years towards defined benefit plan through gratuity plan asset:	**As at March 31, 2023**	**As at March 31, 2022**
Within the next 12 months	10.00	10.00
Between 1 and 2 years	12.39	15.82
Between 2 and 5 years	67.67	45.10
Between 6 and 10 years	150.06	116.41
Beyond 10 years	720.51	640.84
Expected cash outflows in future years	**960.63**	**828.17**

Actual return on plan assets	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Actual return on plan assets	4.86	6.66
	4.86	**6.66**

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 35: Segment information

A. Segment description

The Company is organised into business units based on its products and has two reportable segments, as follows:

a) Automotive and Industrial Segment includes manufacturing of precision products including parts for transmissions, engines, hydraulics, power tool, hand primers and filters.

b) Aerospace Segment – includes various precision parts which are used in the manufacture of aircrafts.

The Company's Management team is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'.

B. Segment revenue, segment results and other information

	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Automotive & Industrial Segment	Aerospace Segment	Total	Automotive & Industrial Segment	Aerospace Segment	Total
Segment revenue						
Revenue from operations - external	5,754.79	1,711.46	7,466.25	5,280.61	870.02	6,150.63
Other income - unallocated			947.13			118.97
Total income			**8,413.38**			**6,269.60**
Segment result	**376.59**	**325.19**	**701.78**	**429.91**	**3.58**	**433.49**
Reconciliation to total comprehensive income:						
Finance costs			(238.51)			(214.31)
Gain/(loss) on fair valuation of CCPS			895.52			(360.88)
Exceptional items			(67.93)			43.93
Other unallocable expenses			(148.83)			(74.57)
Profit/(loss) before tax			**1142.03**			**(172.34)**
Tax expense/ (credit)			(60.07)			(10.33)
Profit/(loss) for the year			**1,081.96**			**(182.67)**
Other comprehensive income ('OCI')			(12.90)			20.89
Total comprehensive income (net of tax)			**1,069.06**			**(161.78)**

C. Segment assets and Segment liabilities

	As at March 31, 2023			As at March 31, 2022		
	Automotive & Industrial Segment	Aerospace Segment	Total	Automotive & Industrial Segment	Aerospace Segment	Total
Segment assets	**5,004.03**	**2,014.95**	**7,018.98**	**4,947.91**	**1,640.67**	**6,588.58**
Reconciliation to total assets:						
Investments			0.03			0.03
Balance recoverable from government authorities			288.21			151.12
Deposits with government authorities			14.41			13.68
Deferred expenses			-			64.28
Derivative contracts - Foreign Exchange Forward Contract (FEFC)			-			14.64
Cash and cash equivalents			13.81			62.95
Bank balances other than cash and cash equivalents			0.61			1.97
Income tax assets (net)			50.24			64.32
Other unallocable assets			51.74			71.37
Total assets			**7,438.03**			**7,032.94**

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

	As at March 31, 2023			As at March 31, 2022		
	Automotive & Industrial Segment	Aerospace Segment	Total	Automotive & Industrial Segment	Aerospace Segment	Total
Segment liabilities	**1,165.00**	**442.22**	**1,607.22**	**1,282.02**	**312.90**	**1,594.92**
Reconciliation to total liabilities:						
Borrowings (including CCPS)			4,788.38			5,504.00
Liabilities towards derivative contracts, net			10.39			-
Income tax liabilities			45.78			56.88
Deferred tax liabilities (net)			97.38			126.97
Other unallocable liabilities			218.66			149.01
Total liabilities			**6,767.81**			**7,431.78**

Note: Certain items of asset, liability, expense and income as summarised above are not directly attributable and allocable to an operating segment and accordingly, the same are not allocated and shown as reconciling items.

D. Geographical information

(a) Revenue from operations - external customers based on the locations of the customers *:

	For the year ended	
	March 31, 2023	March 31, 2022
(i) attributed to the Company's country of domicile		
India	2,263.33	1,829.36
(ii) attributed to group of foreign countries		
North America	1,661.68	2,041.48
Europe	3,242.15	1,991.83
Asia (other than India)	299.09	287.95
Total	**7,466.25**	**6,150.62**

(b) Non-current assets **:

	As at March 31, 2023	As at March 31, 2022
(i) located in the Company's country of domicile - India	2,654.06	2,820.15
(ii) located in foreign countries	-	-
Total	**2,654.06**	**2,820.15**

* Revenue by geographical area are based on the geographical location of the customer.
** Non-current assets excludes financial assets and tax assets.

E. Other information

	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Automotive & Industrial Segment	Aerospace Segment	Total	Automotive & Industrial Segment	Aerospace Segment	Total
Capital expenditure (excluding capital advances)	164.17	8.15	**172.32**	111.06	7.70	**118.76**
Depreciation and amortisation expenses (excluding depreciation of right-of-use assets)	259.31	113.43	**372.74**	227.28	140.61	**367.89**

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 36: Commitments and contingencies

(i) Commitments:

	As at March 31, 2023	As at March 31, 2022
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	166.65	160.66

b) For commitment under investment agreements with preference shareholders refer notes 16.

(ii) Contingent liabilities

	As at March 31, 2023	As at March 31, 2022
(a) Contingent liability towards pending tax litigations related to disputed dues of:		
- Excise duty	108.56	108.56
- Service tax	24.85	24.85
- Income tax matters	50.78	50.78
	184.19	**184.19**

(b)The Company has imported inventories and capital goods under various schemes, wherein the Company has imported goods duty-free with certain export obligations. The management has assessed the aforesaid requirements and is confident of fulfilling the same within the prescribed timelines and does not expect any further liability in this regard

(c) The Code on Social Security 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 37: Financial risk management objectives and policies

The Company's principal financial liabilities comprises of borrowings, lease obligations, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents and other receivables that derive directly from its operations. The Company also enters into derivative transactions for hedging purpose.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's risk management is carried out by the management under the policies approved by Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for the impact of financial performance.

A 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 two types of risk: interest rate risk and foreign currency risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company is exposed to interest rate risk primarily due to borrowings having floating interest rates given below:

	Notes	As at March 31, 2023	As at March 31, 2022
Non current borrowings *	16	359.99	631.52
Non current borrowings - current maturities*	16	291.36	323.38
Current borrowings	16	2,295.77	1,812.32
Total		**2,947.12**	**2,767.22**

Interest rate sensitivity analysis shown below with change in floating interest rates would result in increase/(decrease) in profit and equity:		
Decrease in interest rate of 1%	29.47	27.67
Increase in interest rate of 1%	(29.47)	(27.67)

*Considering that CCPS are accounted at Fair value through profit and loss ("FVTPL"), the same are not included in the above table.

(ii) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD and EUR.The Company's exposure to other foreign currency is not material. Foreign exchange risk primarily arises from future revenue transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (Rs). The risk is measured through a forecast of highly probable foreign currency cash flows.

Foreign currency exposure:	As at March 31, 2023		As at March 31, 2022	
	in Foreign currency	in Indian currency	in Foreign currency	in Indian currency
Financial assets				
Trade receivables				
EUR	4.29	384.80	3.24	268.87
USD	12.29	1,010.54	10.60	787.93
CAD	-	-	0.00	0.24
Balance with banks				
EUR	0.02	2.04	0.24	20.31
USD	0.12	9.95	0.01	0.78
Financial liabilities				
Trade payable and payable to capital creditors				
EUR	0.56	49.77	0.13	10.80
USD	1.28	105.30	0.52	39.11
GBP	0.02	2.18	0.01	1.03
JPY	0.31	0.19	0.31	0.19
SEK	0.36	2.78	0.69	6.41
Borrowings				
EUR	3.32	297.32	3.16	267.48
USD	11.34	932.28	14.95	1,133.33

Derivative instruments:

In order to minimize any adverse effects on the financial performance of the Company, derivative instruments in the nature of foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The derivative instruments outstanding is as below.

Category	As at March 31, 2023	As at March 31, 2022	Buy / Sell	Purpose
Foreign exchange forward contracts :				
- EUR	4.40	1.40	Sell	Hedge of firm commitment/ highly
- USD	7.30	4.70	Sell	probable foreign currency sales

The Company enters into derivative contracts to hedge its foreign currency risk exposures and the Company does not expect any significant impact from such foreign currency risk exposures.

S.R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

B Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade receivables. Other financial assets like bank deposits and export entitlement receivables are with bank and from government authorities respectively and hence, the Company does not expect any credit risk with respect to these financial assets. With respect to trade receivables, the Company has constituted teams to review trade receivables on periodic basis and to take necessary mitigations, wherever required.

The Company creates allowance for all receivables based on lifetime expected credit loss based on simplified approach. The summary of changes in allowance for doubtful receivables is disclosed in note 11 of "Trade receivables".

C Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its position and maintains adequate source of financing.

The Company monitors its risk if shortage of funds on a regular basis. The Company's onjective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.

The Company monitors its risk if shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.

The table below summarizes the maturity profile of the Company's financial liabilities on an undiscounted basis at the respective reporting date, which may differ from both carrying value and fair value:

	Maturity period	As at March 31, 2023	As at March 31, 2022
Financial liabilities - Non current			
(a) Borrowings	Between 1 - 5 years	1,769.97	3,368.30
(b) Lease liabilities	Between 1 - 10 years	255.97	302.44
Financial liabilities - Current			
(a) Borrowings	On demand	3,018.41	2,135.70
(b) Lease liabilities	Within 1 year	75.01	66.16
(c) Trade payables	Within 1 year	1,018.60	987.57
(c) Other financial liabilities	Within 1 year	217.47	231.86

S. R. Batliboi & Associates LLP Bengaluru

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Note 38: Capital management

The Company's objectives of capital management is to maximize the shareholder value. In order to maintain or adjust the capital structure, the Company may adjust the return to shareholders, issue/ buyback shares or sell assets to reduce debt. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company takes appropriate steps in order to maintain, or if necessary, adjust its capital structure.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus CCPS plus net debt as below.
- Equity includes Equity share capital and all Other Equity components attributable to the Equity holders
- Net Debt includes borrowings (non-current and current) and lease liabilities, less cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Financial liabilities - Non current		
Borrowings	1,769.97	3,368.30
Lease liabilities	229.07	246.69
Financial liabilities - Current		
Borrowings	3,018.41	2,135.70
Lease liabilities	42.09	41.66
	5,059.54	**5,792.35**
Less: Cash and cash equivalents	(13.81)	(62.95)
Net debt (A)	**5,045.73**	**5,729.40**
Equity share capital	82.63	82.63
Other equity	587.59	(481.47)
Total Capital (B)	**670.22**	**(398.84)**
Capital plus net debt (C = A + B)	**5,715.95**	**5,330.56**
Gearing ratio (D = A / C)	**88.27%**	**107.48%**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and the year ended March 31, 2022.

Note 39: Earnings per equity share ('EPS')

Basic EPS amounts are calculated by dividing the profit / (loss) for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the respective year.

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

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

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) attributable to equityholders for computation of Basic EPS	**1,081.96**	**(182.68)**
Add: Fair value loss/(gain) on CCPS	(895.52)	360.88
Profit/(loss) attributable to equityholders for computation of Diluted EPS	**186.44**	**178.20**
Weighted average number of shares outstanding for computation of Basic EPS (in millions) (refer ^ below)	**41.31**	**41.31**
Effect of dilution: CCPS (in millions) Equivalent shares at Rs. 2 per share	11.12	11.12
Weighted average number of shares outstanding for computation of Diluted EPS (in millions)	**52.43**	**52.43**
Nominal value of Equity Shares (Rs)	2.00	2.00
Earnings/(loss) per equity share		
a. Basic (in Indian Rupees)	26.19	(4.42)
b. Diluted* (in Indian Rupees)	3.56	(4.42)

* In accordance with the Indian Accounting Standard (Ind AS) - 33 Earnings Per Share, specified under Section 133 of the Companies Act 2013, read with relevant rules issued thereunder, the effect of CCPS is anti-dilutive in previous year and hence the impact of the same has been ignored in the computation of diluted EPS for the previous year.

^ Pursuant to the resolution of the shareholders of the Company on October 27, 2021, the Company obtained approval for the split of face value of equity shares of Rs. 10 each into equity shares of face value of Rs. 2 each. Consequently, the basic and diluted earnings per share have been computed for all the periods presented on the basis of the revised number of equity shares in accordance with Ind AS 33 - Earnings per share.

S.R. Batliboi & Associates Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 40: Exceptional items

a) During the year ended March 31, 2022, the Company had completed the sale of land situated at Nelamangala, Karnataka and had recognised a profit of Rs. 43.93 million on such sale, which had been disclosed as exceptional item in the financial statements.

b) During the year ended March 31, 2022, the Company had filed Draft Red Herring Prospectus (DRHP) with the relevant authority as regards its proposed Initial Public Offer (IPO). During the current year, the Company has withdrawn the said DRHP. Consequently, deferred expenses of Rs 67.93 million representing costs incurred towards proposed IPO has been charged off during the current year and disclosed as 'Exceptional item' in the financial statements.

Note 41: Leases

A. Company as lessee during the year

The Company has entered into various lease contracts for building premises used in its operations, which have initial lease term ranging from 3 years to 10 years. There are several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).
The Company is also required to maintain the building premises over the lease term.

The Company also has certain leases of building, machinery and equipment with lease terms of 12 months or less or with low value. The Company applies the 'short-term lease' and 'lease of low value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets and the movements during the year (also refer note 3):

	As at March 31, 2023	As at March 31, 2022
Opening balance	**240.76**	**278.51**
Additions during the year	31.65	14.69
Deletions (net of accumalated depreciation)	(2.45)	-
Depreciation expenses	(54.65)	(52.44)
Closing balance	**215.31**	**240.76**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at March 31, 2023	As at March 31, 2021
Opening balance	**288.35**	**313.08**
Additions	30.70	14.35
Deletions	(3.02)	-
Accretion of interest	26.61	27.29
Payment of principal portion of lease liability	(44.87)	(39.08)
Payment of interest portion of lease liability	(26.61)	(27.29)
Closing balance	**271.16**	**288.35**

	As at March 31, 2023	As at March 31, 2021
Current	42.09	41.66
Non current	229.07	246.69

The maturity analysis of lease liabilities are disclosed in note 37(C) .
The effective interest rate for lease liabilities is 9-10%, with maturity period of upto 10 years.
Set out below are the amounts recognised in profit or loss during the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of-use assets	54.65	52.44
Interest expense on lease liabilities	26.61	27.29
Expense relating to short-term leases (included in other expense)	4.61	7.28
	85.87	**87.01**

B. Company as lessor during the year

The Company has entered into cancellable operating leases consisting of certain building premises on short-term temporary basis with renewal clauses. The Company is also required to maintain the property over the lease term.

Set out below are the amounts recognised in profit or loss during the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Income relating to leases (included in Other income)	1.15	1.07
	1.15	**1.07**

S.R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

(All amounts in Indian Rupees Million, except as otherwise stated)

Note 42: Disclosure pursuant to IND AS 115: Revenue from contract with customers

i) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers by timing of transfer of goods or services:

	For the year ended March 31, 2023	For the year ended March 31, 2022
- control transferred at a point in time		
sale of goods	7,169.43	5,949.84
scrap sales	180.87	103.73
- control transferred over time		
sale of services	24.60	15.43
	7,374.90	**6,069.00**

ii) Contract balances

	As at March 31, 2023	As at March 31, 2022
Advance from customers (refer note 22)	0.08	0.03
Prepaid expenses (refer note 9)	45.77	-
Trade receivables (refer note 11)	1,905.17	1,531.69

Trade receivables are non-interest bearing and are generally on credit terms of up to 90 days. The provision for expected credit losses on trade receivables are recognised based on simplified approach and is disclosed in note 11.

Prepaid expenses are unamortised incremental costs of obtaining a contract with customers. The cost will be amortised over a period of 6 years as per the contract period as and when the contract obligations are met.

Advance received from customers represent transaction price allocated to unsatisfied performance obligations (i.e., supply of goods). The unsatisfied performance obligations are expected to be recognised within one year.

iii) Revenue recognised in the reporting year that was included in the contract liabilities balance at the beginning of the year

Set out below is the amount of revenue recognised from:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Advance from customers (refer note 22)	0.03	0.30

iv) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contracted price	7,466.25	6,158.20
Significant financing component	-	(7.58)
Revenue from contract with customers	**7,466.25**	**6,150.62**

v) Performance obligations

Information about the Company's performance obligations are summarised below:

Sale of goods

The performance obligation is satisfied upon dispatch/delivery of the goods and payment is generally due within 90 days from dispatch/delivery in accordance with the terms of contract with customers.

The Company provides for warranties to its customers in the nature of assurance-type warranties, which is accounted for as obligation and provided for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Sale of services

The performance obligation is satisfied over-time and payment is generally due upon completion of service and acceptance of the customer.

vi) Also refer note 35.

S. R. Batliboi & Associates LLP Bengaluru

Maini Precision Products Ltd. Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 43: Accounting Ratios

i) The accounting ratios are provided below:

	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance
Current ratio	Current assets	Current liabilities	1.05	1.16	-9.14%
Debt-equity ratio			**	**	**
			For the year ended March 31, 2023	**For the year ended March 31, 2022**	**Variance**
Debt service coverage ratio^	Earnings for debt service = Net profit after taxes − Non-cash operating expenses/income(net) + Finance Cost + Loss on Fair Valuation of CCPS	Debt service – Finance Cost & Lease Payments + Principal Repayments of Long term borrowings	3.03	1.13	167.72%
Return on equity ratio			**	**	**
Inventory turnover ratio	Cost of goods sold	Average Inventory	1.66	1.51	10.17%
Trade receivables turnover ratio	Net credit sales= Gross credit sales - sales return	Average Trade Receivables	4.30	4.57	-6.00%
Trade payables turnover ratio	Net credit purchases (Gross credit purchases - purchase return) − other expenses	Average Trade Payables	5.41	5.48	-1.40%
Net capital turnover ratio#	Net sales = Total sales - sales return	Working capital = Current assets − Current liabilities	30.95	10.90	183.87%
Net profit ratio ^	Net Profit after tax	Net sales = Total sales - sales return	0.14	(0.03)	588%
Return on capital employed (%)^	Earnings before interest and taxes + Loss on fair valuation of CCPS	Capital Employed = Tangible Net Worth + Total Debt+ CCPS + Deferred Tax Liability	0.24	0.07	224.36%
Return on investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Reasons for variance of more than 25% in above ratios

^Variance is on account of increased net profit in the current year.

** Considering that the Shareholder's Equity (excluding CCPS) is eroded, debt equity ratio and Return on equity ratio are not being computed for the year ended March 31, 2023 and March 31, 2022. Based on its internal asessment, future projections, cash profits and extension letter from investors for repayment of CCPS, the management is of the view that the going concern assumption is appropriate.

Variance is on account of reduction in working capital due to classification of CCPS into Current liabilities.

S. R. Batliboi & Associates LLP
Bengaluru

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 44: Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

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

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

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

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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

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

Note 45: Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The Company is currently assessing the impact of the aforesaid amendments. The amendments to Ind AS 12 are applicable for annual periods beginning on and after April 01, 2023.

S. R. Batliboi & Associates LLP
Bengaluru

Maini Precision Products Ltd.
Bangalore
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2023
(All amounts in Indian Rupees Million, except as otherwise stated)

Note 46: Daily back-up of books of account
The Company has kept proper books of account as required by law, except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company is in the process of initiating necessary steps to ensure compliance in this regard.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Sudhir Kumar Jain
Partner
Membership No.: 213157
Place: Bengaluru, India
Date: September 26,2023

S. R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Maini Precision Products Limited

Gautam Maini
Managing Director
DIN: 00667616
Place: Bengaluru, India
Date: September 26,2023

Sandeep Kumar Maini
Director
DIN: 01568787
Place: Bengaluru, India
Date: September 26,2023

V. Sridhar
Director & Chief Financial Officer
DIN: 02584405
Place: Bengaluru, India
Date: September 26,2023

Vijayesh Rajendran
Company Secretary
FCS No.: F12248
Place: Bengaluru, India
Date: September 26,2023

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Maini Precision Products Limited

Report on the Audit of the Financial statements

Opinion

1. We have audited the accompanying financial statements of Maini Precision Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

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

Price Waterhouse Chartered Accountants LLP Chartered Accountants FRN 012754N/N500016 Mumbai

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai – 400028
T: +91(22) 66691000, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Mumbai

- 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

9. 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.

10. 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.

Other Matter

11. The financial statements of the Company for the year ended March 31, 2023, were audited by another firm of chartered accountants under the Act who, vide their report dated September 26, 2023 expressed an unmodified opinion on those financial statements.

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

Report on other legal and regulatory requirements

12. 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 Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. 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.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period July 17, 2023 to September 7, 2023 and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the 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 during the year ended March 31, 2024.

Price Waterhouse Chartered Accountants LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 50 to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 50 to the financial statements); and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software except that audit trail was not available for certain type of transactions and for direct database changes. Further, during the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDK314

Place: Mumbai
Date: May 1, 2024

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report
Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Maini Precision Products Limited on the financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Maini Precision Products Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Chartered Accountants
Mumbai

Price Waterhouse Chartered Accountants LLP

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024 , based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDK3147

Place: Mumbai
Date: May 01, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(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 and 3 to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(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 the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. 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.

(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, which are in agreement with the unaudited books of account (Also, refer Note 18 and 19 to the financial statements).

iii. (a) The Company has granted interest free unsecured loans to employees. The Company has not made investments in, granted secured loans or advances in the nature of loan or stood guarantee or provided any security to any company, firm, Limited Liability Partnership or any other parties.

The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such unsecured loans provided to parties other than subsidiaries, joint ventures and associates are as per the table given below:

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Particulars	Loans (Amount in INR In Lakhs)
Aggregate amount granted during the year - Employees	Rs.183
Balance outstanding as at balance sheet date in respect of the above case	Rs. 145

Also, refer Note 7 and 11 to the financial statements

(b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The loans granted during the year had stipulated the schedule of repayment of principal and same was not repayable on demand. There were no loans/advances in nature of loans granted during the year, to promoters/related parties.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. 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 Act in respect of its certain 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. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues, in respect of duty of customs and goods and service tax, though, there has been serious delays in few cases and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of undisputed statutory dues in respect of duty of customs and goods and service tax outstanding as at March 31,2024, for a period of more than six months from the date they became payable are as follows:

Chartered Accountants LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Maini Precision Products Limited on the financial statements as of and for the year ended March 31, 2024

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates (Financial Year)	Due date	Date of Payment
The Custom Act, 1962	Customs Duty	156.06	2015-16 and 2018-19	Various Dates	Not Paid
Goods and Service Tax Act, 2017	Goods and Service Tax	42.57	2020-21	Various dates	Not Paid

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31st,2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded	Amount paid under protest	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Income Tax act, 1961	Income Tax	145.33	123.37	1992-93 to 1994-95, 1996-97 to 2002-03	The Supreme Court of India
Income Tax act, 1961	Income Tax	12.79	-	2018-19	Commissioner of Income Tax (Appeals)
Income Tax act, 1961	Income Tax	362.52	25.00	2008-09, 2013-14 and 2016-17.	Commissioner of Income Tax (Appeals)
Central Excise Act, 1994.	Duty of Excise	569.58	58.10	2004-05, 2008-09 to 2013-14.	Customs, Excise and Service tax Appellate Tribunal
Central Excise Act, 1994.	Duty of Excise	13.04	-	2006-07 and 2007-08	Revisionary Authority, New Delhi
Central Excise Act, 1994.	Duty of Excise	9.95	-	2012-13	Assistant Commissioner of Central Excise
Finance Act, 994	Service tax	248.47	-	2009-10 to 2012-13	Customs, Excise and Service tax Appellate Tribunal

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) 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) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. Also, refer Note 18 and 19 to the financial statements

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b). The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (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, 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) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

Chartered Accountants
FRN 012754N/N500016
Mumbai

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

xii. 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. 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 related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

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

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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

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

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

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors during the year and no issues, objections or concerns were raised by the outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements (Refer Note 49 to the 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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Arunkumar Ramdas
Partner
Membership Number: 112433
UDIN: 24112433BKFWDK3147

Place: Mumbai
Date: May 1, 2024

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Balance Sheet as at March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	As at March 31, 2024	As at March 31, 2023
I	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment	2	23,388.18	23,030.34
	(b) Right of use assets	3	1,605.30	2,153.07
	(c) Capital work - in - progress	4	20.94	126.10
	(d) Intangible assets	5	123.91	96.63
	(e) Financial assets			
	(i) Investments	6	0.57	0.32
	(ii) Loans	7	102.34	83.02
	(iii) Other financial asset	8	520.60	544.62
	(f) Income tax assets (net)	34b	469.67	502.40
	(g) Other non - current assets	9	1,816.78	1,036.20
	Total Non-Current Assets		**28,048.29**	**27,572.70**
2	**Current assets**			
	(a) Inventories	10	25,061.56	23,060.68
	(b) Financial assets			
	(i) Loans	11	40.43	128.26
	(ii) Trade receivables	12	19,923.86	19,051.74
	(iii) Cash and cash equivalents	13	1,639.82	138.14
	(iv) Other financial asset	14	177.73	7.09
	(c) Other current assets	15	6,431.37	4,421.76
	Total Current Assets		**53,274.77**	**46,807.67**
	TOTAL ASSETS		**81,323.06**	**74,380.37**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	16	1,048.77	826.30
	(b) Other equity	17	27,639.44	5,875.97
	Total Equity		**28,688.21**	**6,702.27**
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	3,471.05	17,699.66
	(ii) Lease liabilities	3	1,630.75	2,290.71
	(b) Provisions	20	2,664.14	2,272.44
	(c) Deferred tax liabilities (net)	34d	588.48	973.92
	Total Non Current Liabilities		**8,354.42**	**23,236.73**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	19	26,847.09	30,184.19
	(ii) Lease liabilities	3	572.51	420.92
	(iii) Trade payables	21		
	(a) total outstanding of micro and small enterprises		1,232.81	986.98
	(b) total outstanding other than (iii) (a) above		11,749.05	9,199.00
	(iv) Other financial liabilities	22	2,352.69	2,174.69
	(b) Provisions	23	779.06	525.73
	(c) Current tax liabilities (net)	34c	270.43	457.84
	(d) Other current liabilities	24	476.79	492.02
	Total Current Liabilities		**44,280.43**	**44,441.37**
	Total Liabilities		**52,634.85**	**67,678.10**
	TOTAL EQUITY AND LIABILITIES		**81,323.06**	**74,380.37**

The above balance sheet should be read in conjunction with the accompanying notes.

This is the balance sheet referred to in our attached report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No: 112433

Place: Mumbai
Date: May 01, 2024

For and on behalf of Board of Directors

Gautam Maini
Managing Director
DIN: 00667616

Sandeep Kumar Maini
Director
DIN: 01568787

V Sridhar
Chief Financial Officer

Place: Bengaluru
Date: May 01, 2024

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I	**Revenue from operations**	25	89,968.63	74,642.52
II	**Other income**	26	3,512.79	9,367.36
III	**Total income (I+II)**		**93,481.42**	**84,009.88**
IV	**Expenses**			
	Cost of raw materials consumed	27	36,314.17	31,427.01
	Changes in inventories of work-in progress and finished goods	28	747.32	(2,134.71)
	Employee benefits expense	29	15,425.23	13,596.47
	Finance costs	30	2,538.09	2,298.34
	Depreciation and amortization expense	31	4,389.10	4,273.88
	Other expenses	32	26,385.17	22,449.16
	Total expenses (IV)		**85,799.08**	**71,910.15**
V	**Profit before exceptional items and tax (III-IV)**		**7,682.34**	**12,099.73**
VI	**Exceptional Items (net)**	33	-	**679.31**
VII	**Profit before tax (V-VI)**		**7,682.34**	**11,420.42**
VIII	**Tax expense**	34		
	Current tax		1,823.33	853.23
	Deferred tax		(330.94)	(252.47)
	Tax charge in respect of earlier years		142.58	-
	Total tax expenses (VIII)		**1,634.97**	**600.76**
IX	**Profit for the year (VII - VIII)**		**6,047.37**	**10,819.66**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of defined benefit plans		(216.53)	(172.38)
	-Income tax relating to above	34	54.50	43.39
	Other Comprehensive income for the year (X)		**(162.03)**	**(128.99)**
XI	**Total Comprehensive Income for the year (IX+X)**		**5,885.34**	**10,690.67**
XII	**Earnings per share of Rs. 2 each**			
	Basic earnings per share (in Rs.)		14.47	26.19
	Diluted earnings per share (in Rs.)		7.12	3.56

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the profit and loss referred to in our attached report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No: 112433

Place: Mumbai
Date: May 01, 2024

For and on behalf of Board of Directors

Gautam Maini
Managing Director
DIN: 00667616

Sandeep Kumar Maini
Director
DIN: 01568787

V Sridhar
Chief Financial Officer

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Place: Bengaluru
Date: May 01, 2024

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Changes in Equity for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

	Particulates	No of shares	₹ lakhs
A.	**Equity Share Capital**		
	Equity shares of ₹ 2 each issued, subscribed and fully paid up		
	As at April 01, 2022	**413.15**	**826.30**
	Change during the year	-	-
	As at March 31, 2023	**413.15**	**826.30**
	Change during the year	111.24	222.47
	As at March 31, 2024	**524.39**	**1,048.77**

B. Other Equity

Particulars	Retained Earnings	Capital Reserve	General	Other Reserve	Securities premium	Total
As at April 01, 2022	**(9,973.40)**	**4.14**	**73.77**	**4,249.08**	**831.71**	**(4,814.70)**
Profit for the year	10,819.66	-	-	-	-	10,819.66
Dividend on CCPS paid	*	-	-	-	-	*
Other comprehensive income	(128.99)	-	-	-	-	(128.99)
As at March 31, 2023	**717.27**	**4.14**	**73.77**	**4,249.08**	**831.71**	**5,875.97**
Profit for the year	6,047.37	-	-	-	-	6,047.37
Add: On conversion of CCPS into equity shares (refer note 16(g))	-	-	-	-	15,878.13	15,878.13
Other comprehensive income	(162.03)	-	-	-	-	(162.03)
As at March 31, 2024	**6,602.61**	**4.14**	**73.77**	**4,249.08**	**16,709.84**	**27,639.44**

* Amount below rounding off norms

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our attached report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No: 112433

Place: Mumbai
Date: May 01, 2024

For and on behalf of Board of Directors

Gautam Maini
Managing Director
DIN: 00667616

Sandeep Kumar Maini
Director
DIN: 01568787

V Sridhar
Chief Financial Officer

Place: Bengaluru, India
Date: May 01, 2024

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Cash Flows for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Particulars	As at March 31, 2024		As at March 31, 2023	
A. Cash Flow from Operating Activities				
Profit before exceptional items and tax as per statement of profit and loss		7,682.34		12,099.60
Adjustment for :				
Depreciation and Amortisation expense	4,389.10		4,273.88	
Net (gain) /Loss on disposal/discard of property, plant and equipment	81.72		(38.36)	
Interest income	(20.62)		(76.25)	
Finance Cost	2,538.09		2,298.34	
Unrealised gain on foreign exchange fluctuations	(198.89)		(514.50)	
Net gain on sale / fair valuation of investments	(0.25)		(0.01)	
(Gain) / Loss on mark to market of derivative contracts	(176.21)		103.90	
Gain on fair valuation of CCPS	(2,312.00)		(8,955.25)	
Net impairment losses on financial assets	23.78		59.66	
Advance written off	32.79		24.40	
Provision for warranties	6.28		7.62	
		4,363.79		(2,816.57)
Operating profit before changes in operating Assets & Liabilities		12,046.13		9,283.03
Increase in Inventories		(2,000.88)		(2,446.23)
Increase in Trade receivables		(668.81)		(3,575.26)
Decrease in other financial assets		46.14		916.53
Increase in other assets		(2,051.11)		(2,066.34)
Increase in Trade Payables		2,781.58		309.98
(Decrease) / Increase in other financial liabilities		84.90		(361.99)
(Decrease) / Increase in other liabilities		(15.23)		274.84
Increase in Provisions		422.22		473.81
		10,644.94		2,808.37
(Less): Direct Taxes Paid (Net)		(2,162.97)		(871.34)
Net cash flows generated from operating activities		**8,481.97**		**1,937.03**
B. Cash Flow from Investing Activities				
Payment towards purchase of property, plant & equipment		(4,894.10)		(1,952.74)
Proceeds from disposal of property, plant and equipment		52.67		91.96
Interest received		1.43		6.98
Investment in bank deposits		4.55		13.61
Net cash flows used in investing activities		**(4,835.45)**		**(1,840.19)**
C. Cash Flow from Financing Activities				
Proceeds from long term borrowings		2,500.00		112.00
Repayment of long term borrowings		(3,042.34)		(3,233.80)
Proceeds from short-term borrowings (net)		1,387.02		5,220.60
Finance costs paid		(2,234.50)		(1,969.10)
Payment of principal portion of lease liabilities		(508.37)		(448.68)
Payment of interest portion of lease liabilities		(246.79)		(266.09)
Net cash flows used in financing activities		**(2,144.98)**		**(585.07)**
Net Increase /(Decrease) in Cash and Cash Equivalents (A+B+C)		**1,501.54**		**(488.24)**
Effect of exchange rate changes on cash and cash equivalent held		0.14		(3.10)
Add: Cash and Cash Equivalents at the beginning of the year		**138.14**		**629.48**
Cash and Cash Equivalents as at the end of the Year		**1,639.82**		**138.14**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Statement of Cash Flows for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Reconciliation of Cash and Cash Equivalents as per Cash Flow Statement

	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalent as per above comprise of the following		
Balances with banks:		
- in current accounts	933.19	17.92
- in Exchange earners foreign currency (EEFC) account	706.58	119.85
Cash in hand	0.05	0.37
Total	**1,639.82**	**138.14**

Non-cash financing and investing activities

	As at March 31, 2024	As at March 31, 2023
Acquisition of right of use assets (Refer Note 3)	-	**316.50**
Conversion of CCPS into Equity Shares (Refer 16(g))	**16,100.60**	-

The above statement of cash flows should be read in conjunction with the accompanying notes.

Note
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cashflows.

This is the Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

ArunKumar Ramdas
Partner
Membership No: 112433

Mumbai
Date: May 01, 2024

For and on behalf of the Board of Directors

Gautam Maini
Managing Director
DIN: 00667616

Sandeep Kumar Maini
Director
DIN: 01568787

V Sridhar
Chief Financial Officer

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Place: Bengaluru, India
Date: May 01, 2024

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 1. Statement of Accounting Policies

I Background and Basis of preparation of Financial Statements

Maini Precision Products Limited ('the Company') is a public company registered in India. The registered office of the Company is located at Bengaluru.

The Company is principally engaged in manufacture of precision auto components, Aerospace components and other related products (including parts for transmissions, engines, hydraulics, power tool, hand primers and filters).
These Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors on May 01, 2024.

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as ammended] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
1)certain financial assets and liabilities (including derivative instruments) is measured at fair value;
2)defined benefit plans – plan assets measured at fair value

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:
1) Disclosure of accounting policies – amendments to Ind AS 1
2) Definition of accounting estimates – amendments to Ind AS 8
3) Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12 The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.
These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Companies accounting policy already complies with the now mandatory treatment.

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III (Division II) to the Act.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III (Division II), unless otherwise stated.

II Material Accounting Policies

(a) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components of machinery. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line method as per the useful lives of assets estimated by management. The identified components, if any are depreciated over their useful life and the remaining assets are depreciated over the life of the principal asset.

Assets	Useful lives estimated by the management (in years)	Useful lives under Schedule II of the Act (in years)
Factory Buildings	30	30
Other Buildings	30	60
Plant and equipment	5 – 20	15
Office equipment	5	5
Furniture and fixture	10	10
Computer Hardware	3	3
Vehicles	8	8

The Company, based on technical assessment of usage patterns made by the technical experts, believes that the useful lives as mentioned above best represents the period over which management expects to use these assets.

(b) Lease

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective right-of-use asset if the recognition criteria for a provision are met.

The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low- value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

To determine the incremental borrowing rate, the Company's where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE 560 058

(c) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of inventories is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such

inventories considering various factors such as likely usage, obsolescence etc. Materials held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
Cost of raw materials and stores and spares comprises cost of purchases.
Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

(d) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(e) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the year of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income / other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Compulsory convertible preference shares ('CCPS') issued by the Company has been designated upon initial recognition as a financial liability measured at fair value through profit or loss. CCPS is initially recognised at fair value (issue price) and subsequent to initial recognition, such CCPS is fair valued through the statement of profit or loss. On modification of CCPS from liability to equity, the CCPS is recorded at the fair value of CCPS classified as equity and the difference in fair value is recorded as a gain/ loss on modification in the statement of profit or loss.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(f) Revenue from contracts with customers

The specific recognition criteria described below must also be met before revenue is recognised:

Sale of goods

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

The goods are sold with retrospective volume discounts based on aggregate sales over a 12 months period.Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Sale of services

Revenue from sale of services is recognised in the accounting year in which the services are rendered and:

For contracts - where performance obligation is satisfied at a point in time, revenue is recognised based based on the completion of service as per the terms of the contract and the Company has established its right for payment.

Export incentive entitlement

Export Incentives under the, "Duty Draw back Scheme","Remission of Duties or Taxes on Export Products(RoDTEP)" is accounted in the year of export.

III Other Accounting Policies

(a) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the year in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Subsequent costs related to Intangible assets are recognised as a separate asset, as appropriate, only 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.

Intangible assets are amortized over the useful economic life estimated by the management and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. The amortization expense on intangible assets is recognized in the statement of profit and loss.

Computer software

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

Maini Precision Products Ltd. Bangalore 560 058

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

Amortisation method

The Company amortizes intangible assets with a future useful life using the straight-line method over following period:

Class of Asset	Useful life
Computer Software	3 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

(c) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(e) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:
* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
* those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition

Financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company measures its debt instruments in following categories:

• Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included within other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / other expenses. Impairment losses are presented as separate line item in the statement of profit and loss.

• Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net with other income / other expenses in the year in which it arises.

Equity instruments

The Company subsequently measures all equity instruments at fair value. Changes in the fair value are recognised in Other Income.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE 560 058

(v) Derecognition of financial assets

A financial asset is derecognised only when:
- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(f) Derivative financial instruments

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(h) Borrowing costs

Interest and other borrowing costs attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other interest and borrowing costs are charged to profit or loss.

(i) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in profit or loss.

Warranty provisions

The Company provides warranties for general repairs of defects that existed at the time of sale, as per customer contracts. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on past experience of the level of repairs and returns. The initial estimate of warranty-related costs is revised annually.

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Material contingent liabilities are disclosed in financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in financial statements unless it is virtually certain that the future event will confirm the asset's existence and the asset will be realised.

(j) Employee benefits

(i) Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Defined Contribution Plans

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

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(iii) Post-employment obligations

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Profit or Loss as past service cost.

(iv) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the year in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b)when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(k) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Financial Statements are presented in Indian rupee (INR), which is Maini Precision Products Limited's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the respective transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in profit or loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in profit or loss.

(l) Income tax

The income tax expense or credit for the year is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiary, where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

(m) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(n) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Managing Director.
The board of directors of Company has appointed a Managing Director who assesses the financial performance and position of the Company, and makes strategic decisions.

(o) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ('CGU') net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For all non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(p) Exceptional Item:

Exceptional item is an item of income or expense within the Statement of Profit and Loss, which is of such size, nature and incidence that its disclosure is relevant to explain the performance of the Company for the year. The nature and amount of such item is disclosed separately in the Statement of Profit and Loss.

IV Critical estimates and judgements

The preparation of Financial Statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial statements.

The areas involving critical estimates are:

- Estimation of Defined benefit obligation - Measurement of defined benefit obligation and related plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality. (Refer Note 35)
- Inventory write down - Inventory write downs are assessed based on slow-moving, non-moving and defective inventories considering various factors such as likely usage, obsolescence etc. (Refer Note 10)
- Fair valuation of liabilities accounted as FVTPL - Fair value (Gain)/Loss on CCPS (designated at Fair Value through Profit and Loss (FVTPL)) in the statement of Profit and Loss represents the fair value changes (net). (Refer Note 19)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore 560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-2 Property, plant and equipment

	Land	Buildings	Plant & machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying amount								
Balance as at April 01, 2022	4,311.13	1,842.00	28,067.40	431.10	117.00	268.10	231.50	35,268.23
Additions	-	-	1,316.41	21.10	203.20	45.50	52.60	1,638.81
Disposals	-	-	32.20	1.40	87.40	-	-	121.00
Balance as at March 31, 2023	4,311.13	1,842.00	29,351.61	450.80	232.80	313.60	284.10	36,786.04
Additions	-	-	3,834.71	79.30	205.93	53.49	83.63	4,257.06
Disposals	-	-	574.35	1.10	24.57	0.34	104.75	705.11
Balance as at March 31,2024	4,311.13	1,842.00	32,611.97	529.00	414.16	366.75	262.98	40,337.99
Accumulated depreciation								
Balance as at April 01, 2022	-	337.40	9,353.60	134.00	50.30	160.70	171.80	10,207.80
Additions	-	112.50	3,339.40	49.90	22.00	51.20	40.30	3,615.30
Disposals	-	-	14.60	0.10	52.70	-	-	67.40
Balance as at March 31, 2023	-	449.90	12,678.40	183.80	19.60	211.90	212.10	13,755.70
Additions		115.25	3,469.15	51.62	33.06	45.16	50.60	3,764.84
Disposals		-	449.46	0.95	15.23	0.34	104.75	570.73
Balance as at March 31,2024	-	565.15	15,698.09	234.47	37.43	256.72	157.95	16,949.81
Net carrying amount								
Balance as at March 31, 2023	4,311.13	1,392.10	16,673.21	267.00	213.20	101.70	72.00	23,030.34
Balance as at March 31 2024	4,311.13	1,276.85	16,913.88	294.53	376.73	110.03	105.03	23,388.18

Notes:
(i) Refer note 39 for information on property, plant and equipment pledged as security by the Company.
(ii) Refer note 41 for disclosure of contractual commitments for acquisition of property, plant and equipment.
(iii) The title deeds of all the immovable properties are held in the name of the company.

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Notes-3 Leases

This note provides information for leases where the Company is a lessee. The Company has various leased building for factory, office and warehouses having lease period ranging from 3 years to 10 years.

(i) Amount recognised in Balance Sheet

Set out below are the carrying amounts of right of use assets recognised and movement during the year:

Particulars	Buildings
I. Gross carrying amount	
As at March 31, 2022	**3,969.42**
Additions	316.50
Disposals / Adjustments	(92.40)
As at March 31, 2023	**4,193.52**
Additions	-
Disposals / Adjustments	-
As at March 31, 2024	**4,193.52**
II. Accumulated depreciation	
As at March 31, 2022	**1,561.82**
Charges for the year	546.53
Disposals / Adjustments	(67.90)
As at March 31, 2023	**2,040.45**
Charges for the year	547.77
Disposals / Adjustments	-
As at March 31, 2024	**2,588.22**
Net carrying account	
As at March 31, 2023	**2,153.07**
As at March 31, 2024	**1,605.30**

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liablities		
Current	572.51	420.92
Non Current	1,630.75	2,290.71
Total	**2,203.26**	**2,711.63**

(ii) Amount recognised in Profit and loss

The Statement of profit and loss shows following amounts relating to leases:

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on right-of-use asset	31	547.77	546.53
Interest on lease obligation	30	246.79	266.09
Rent	32(b)	39.94	46.13

(iii) The total cash outflow towards leases for the year ended March 31, 2024 Rs. 795.10 lakhs; and for the year ended March 31, 2023 was Rs. 760.16 lakhs (including short term lease payments).

(iv) Extension and termination options

Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-4 Capital work - in - progress (CWIP)

	CWIP
As at March 31, 2022	-
Additions	202.78
Capitalization	76.68
As at March 31, 2023	**126.10**
Additions	20.94
Capitalization	126.10
As at March 31,2024	**20.94**

(i) Capital work in progress (CWIP) ageing schedule

Projects in progress

Capital work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023	126.10	-	-	-	126.10
As at March 31, 2024	20.94	-	-	-	20.94

ii) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported above, as at the end of each reporting period. Accordingly, completion schedule is not presented.

iii) CWIP majorly comprises of machinery which are pending installation.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-5 Intangible Assets

	Computer Software	Total
Gross carrying amount		
Balance as at April 01, 2022	**580.41**	**580.41**
Additions	84.27	84.27
Disposals	-	-
Balance as at March 31, 2023	**664.68**	**664.68**
Additions	103.77	103.77
Disposals	-	-
Balance as at March 31, 2024	**768.45**	**768.45**
Accumulated Amortisation		
Balance as at April 01, 2022	**456.00**	**456.00**
Charge for the year	112.05	112.05
Disposals	-	-
Balance as at March 31, 2023	**568.05**	**568.05**
Charge for the year	76.49	76.49
Disposals	-	-
Balance as at March 31, 2024	**644.54**	**644.54**
Net carrying amount		
As at March 31, 2023	**96.63**	**96.63**
As at March 31, 2024	**123.91**	**123.91**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

M.AINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-6 Investment

	As at March 31, 2024	As at March 31, 2023
Equity instruments (quoted)		
Measured at fair value through Profit or Loss		
704 Equity shares (March 31, 2023: 704) of Rs.10 each, fully paid-up in IDBI Bank Limited	0.57	0.32
Total	**0.57**	**0.32**
Aggregate amount of quoted investment	0.57	0.32
Aggregate market value of quoted investment	0.57	0.32
Aggregate amount of impairment in value of investment	-	-

Note-7 Loans

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Loan to Employees	102.34	83.02
Total	**102.34**	**83.02**

There are no loans or advances in the nature of loans outstanding as at March 31, 2024 and March 31, 2023, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

Note-8 Other financial assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Security deposits	520.60	544.62
Total	**520.60**	**544.62**

Note-9 Other non-current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Capital advances	1,167.26	450.15
Deposits with government authorities	67.91	67.91
Prepaid expenses (including Cost to obtain contract)	581.61	518.14
Total	**1,816.78**	**1,036.20**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Note 10 Inventories

(Cost or Net Realisable value,whichever is lower)

	As at March 31, 2024	As at March 31, 2023
Raw materials	6,483.73	3,828.51
Raw material in transit	773.75	623.50
Work-in-progress	6,267.34	5,951.84
Finished goods	10,850.91	11,913.73
Stores and spares	685.83	743.10
Total	**25,061.56**	**23,060.68**

Write-down of inventories are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-down of inventories amounted to Rs. 1,020.61 lakhs for the year ended March 31, 2024 (Rs. 1,071.36 lakhs for the year ended March 31, 2023). These write- downs thereof were recognised as expense and included in 'cost of Raw material consumed', 'changes in inventories of work -in- progress and finished goods' and 'consumption of stores and spares' in the Statement of Profit and Loss.

Note 11 Loans

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Loan to Employees	40.43	128.26
	40.43	**128.26**

There are no loans or advances in the nature of loans outstanding as at March 31, 2024 and March 31, 2023, granted to promoters, directors, key managerial personnels and other related parties, which are repayable on demand or granted without specifying any terms or period of repayment.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 12 Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade Receivables from related parties (Refer note 46)	-	53.38
Trade Receivables from other customers	20,155.00	19,205.72
Total receivables	**20,155.00**	**19,259.10**
Less: Loss allowances	(231.14)	(207.36)
Total	**19,923.86**	**19,051.74**
Break-up of security details		
Considered good, Secured	-	-
Considered good, Unsecured	20,155.00	19,259.10
Receivables which have significant increase in credit risk	-	-
Receivables credit impaired	-	-
Total	**20,155.00**	**19,259.10**
Less: Loss allowances	**(231.14)**	**(207.36)**
Total trade receivables	**19,923.86**	**19,051.74**

Note : Trade receivable (considered good) aging schedule

Particulars	Unbilled Revenue	Not Due	Outstanding Balances for the period (from due date of Payments)					
			Less than 6 Months	6 Months -1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31, 2024	-	15,613.40	4,252.64	232.13	56.83	-	-	20,155.00
As at March 31, 2023	600.40	15,529.80	3,105.60	23.30	-	-	-	19,259.10

There are no disputed trade receivables.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 13 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
- in current accounts	933.19	17.92
- in Exchange earners foreign currency (EEFC) account	706.58	119.85
Cash in hand	0.05	0.37
Total	**1,639.82**	**138.14**

Note 14 Other financial assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Interest accrued on bank deposits	0.01	1.03
Margin money deposit with banks*	1.51	6.06
Derivative financial instrument (Refer Note 43)	176.21	-
	177.73	**7.09**

*held as a lien with a customer

Note 15 Other current assets

Unsecured, considered good (unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Export benefits receivable	272.67	426.05
Advances to suppliers	1,575.27	734.49
GST refundable	3,666.46	2,813.75
Prepaid expenses (including Cost to obtain contract)	911.13	446.93
Refund due from government authorities	5.84	0.54
Total	**6,431.37**	**4,421.76**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-16 Equity Share capital

	As at March 31, 2024	As at March 31, 2023
Authorised		
6,00,00,000 Equity Shares of Rs. 2 each [March 31, 2023 : 6,00,00,000]	1,200.00	1,200.00
2,85,00,000 0.00001% Compulsorily Convertible Cumulative Preference Shares (CCPS) of Rs.10 each [March 31, 2023 : 2,85,00,000]	2,850.00	2,850.00
Issued, subscribed and fully paid up		
5,24,38,440 Equity Shares of Rs. 2 each [March 31, 2023 : 4,13,14,855]	1,048.77	826.30
Total	**1,048.77**	**826.30**

a) Reconciliation of number of shares outstanding

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Balance as at the beginning of the year	413.15	826.30	413.15	826.30
Add: Conversion of CCPS into Equity Shares (Refer g below)	111.23	222.47	-	-
Balance as at the end of the year	**524.38**	**1,048.77**	**413.15**	**826.30**

b) Right, Preference and Restrictions attached to shares:

i) Equity shares: The Company has only one class of equity shares having par value of Rs.2 per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the Company the holder of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential payments. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Preference shares: Refer Note 19 (vi)

c) Shares of the Company held by holding Company

	As at March 31, 2024	As at March 31, 2023
	Number of shares	
Equity Shares:		
Ring Plus Aqua Limited	310.70	-

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note-16 Equity Share capital (Contd...)

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity Shares :				
Ring Plus Aqua Limited	310.70	59.25%	-	-
Sandeep Kumar Maini	71.23	13.59%	123.76	29.95%
Gautam Maini	71.23	13.58%	94.06	22.77%
Chetan Kumar Maini	71.23	13.58%	94.06	22.77%
Paragon Partners Growth Fund-I	-	-	54.97	13.30%

e) Details of shareholding of promoters:

Name of the Promoter	As at March 31, 2024		
	Number of Shares	% of Holding	% of Change during the year
Ring Plus Aqua Limited	310.70	59.25%	100.00%
Sandeep Kumar Maini	71.23	13.59%	-16.36%
Gautam Maini	71.23	13.58%	-9.19%
Chetan Kumar Maini	71.23	13.58%	-9.19%

Name of the Promoter	As at March 31, 2023		
	Number of Shares	% of Holding	% of Change during the year
Sandeep Kumar Maini	123.76	29.95%	0.00%
Gautam Maini	94.06	22.77%	0.00%
Chetan Kumar Maini	94.06	22.77%	0.00%

f) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash except pursuant to the approval of the shareholders of the Company on October 27, 2021, 12 Million equity shares of face value Rs.10 each were sub-divided into 60 Million equity shares of face value Rs. 2 each.

g) The Company had issued 2,400,000 Series A CCPS and 625,000 Series B on August 19, 2016 and July 10, 2019 respectively, which were classified as financials liability measured at FVTPL due to buyback obligation attached to these shares. During the year, financial liability has been converted into into 9,181,420 and 1,942,165 equity shares at face value of Rs 2 per share respectively. For terms and other details, refer note 19(vi).

(i) The Company has adopted the Maini Stock Option Scheme 2021 ('ESOP 2021') pursuant to authorisation given by Board in its meeting held on October 27, 2021, and by the shareholders of the Company pursuant to special resolution passed at the general meeting of the Company held on October 27, 2021.The approved Employee Stop Options Plan (ESOP 2021) to create, offer, issue and allot at any time, to the employees identified as eligible employees under the ESOP 2021, options that are exercisable into a maximum of 655,481 equity shares at such price and on such terms and conditions as may be fixed or determined by the Company, in accordance with the ESOP 2021. As at March 31, 2024 and March 31, 2023, no ESOP have been granted or vested. The above scheme has been terminated during the current year.

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 17 Other Equity

Particulars	Retained Earnings	Capital Reserve	General Reserve	Other Reserve	Securities premium	Total
As at April 01, 2022	**(9,973.40)**	**4.14**	**73.77**	**4,249.08**	**831.71**	**(4,814.70)**
Profit for the year	10,819.66	-	-	-	-	10,819.66
Dividend on CCPS paid	*	-	-	-	-	*
Other comprehensive income	(128.99)	-	-	-	-	(128.99)
As at March 31, 2023	**717.27**	**4.14**	**73.77**	**4,249.08**	**831.71**	**5,875.97**
Profit for the year	6,047.37	-	-	-	-	6,047.37
Add: On conversion of CCPS into equity shares (refer note 16(g))	-	-	-	-	15,878.13	15,878.13
Other comprehensive income	(162.03)	-	-	-	-	(162.03)
As at March 31, 2024	**6,602.61**	**4.14**	**73.77**	**4,249.08**	**16,709.84**	**27,639.44**

* Amount below rounding off norms

Securities Premium
Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

Capital Reserve
Capital reserve represents reserve towards capital subsidy received by the Company.

Retained earnings
Retained earnings represents the profits earned till date, less any transfer to/from general reserve, dividends or other distributions to the shareholders.

General reserve
General reserve represents appropriation of profit.

Revaluation Reserve
Revaluation reserve represents balance in the revaluation reserve on revaluation of land as at the Ind AS transition date April 01,2019 as adjusted for sale of land during the year ended March 31,2022.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore 560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 18 Non current Borrowings

	Maturity date	Terms of repayments	Interest Rate	As at March 31, 2024	As at March 31, 2023
Secured					
From Banks					
Term loans					
	November 20, 2024	Repayable in 66 months in equal monthly instalments	9.15% to 9.50%	352.57	871.22
	August 19, 2029	Repayable in 66 months in equal monthly instalments	8.63% to 8.83%	669.82	-
	December 26, 2029	Repayable in 66 months in equal monthly instalments	8.71% to 8.83%	818.60	-
	November 27, 2025	Repayable in 54 months in equal monthly instalments	8.80% to 9.75%	605.15	988.23
	November 27, 2025	Repayable in 54 months in equal monthly instalments	9.45% to 9.85%	479.60	770.54
	June 17, 2023	Repayable in 60 months in equal monthly instalments	8.70% to 9.00%	-	62.73
	December 3, 2023	Repayable in 60 months in equal monthly instalments	9.20%	-	294.70
	March 22, 2024	Repayable in 16.5 quarters in equal quarterly installments	9.20% to 9.40%	-	453.61
Total Term Loans (a)				**2,925.74**	**3,441.03**
Vehicle loans (b)	November 5, 2027	Repayable in 60 months in equated monthly instalments	7.00% to 9.00%	**86.77**	**105.83**
Term loans from banks under ECLG scheme	June 30, 2026	Repayable in 48 months in equal monthly instalments	9.25% to 9.50%	1,139.58	1,537.25
	March 17, 2026	Repayable in 60 months in equal monthly instalments	9.00%	653.85	975.00
	February 19, 2026	Repayable in 48 months in equal monthly instalments	9.00%	320.83	495.83
Total Term loans from banks under ECLG scheme (c)				**2,114.26**	**3,008.08**
From NBFC					
Term Loan (d)	April 30, 2027	Repayable in 48 months in equal monthly instalments	10.00%	**888.43**	-
Total (A) = (a + b + c + d)				**6,015.20**	**6,554.94**
Unsecured					
Liability towards CCPS (Refer Note vi below)					
- Serias A				-	12,643.40
- Series B				-	5,769.20
TOTAL (B)				**-**	**18,412.60**
TOTAL (A + B)				**6,015.20**	**24,967.54**
Less: Current maturities of Non Current Borrowings				**(2,500.14)**	**(7,226.47)**
Less: Interest accrued but not due				**(44.01)**	**(41.41)**
Total Non Current Borrowings				**3,471.05**	**17,699.66**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 19 Current Borrrowings

	Terms of repayments	Interest Rate	As at March 31, 2024	As at March 31, 2023
Secured				
From Banks				
Cash credit	Repayable on demand	8.00% to 10.25%	-	111.84
Packing credit- in Foreign Currency	Single repayment at end of term	5.36% to 7.69%	19,728.00	11,399.55
Packing credit- in Indian Rupees	Single repayment at end of term	6.50% to 7.50%	800.28	5,846.26
Bill discounting	Single repayment at end of term	4.03% to 6.51%	-	639.91
Current maturities of non-current borrowings			2,500.14	7,226.47
Total			**23,028.42**	**25,224.03**
Unsecured				
Reverse factoring arrangements	Single repayment at end of term	6.00% to 9.00%	3,868.48	4,998.15
Total			**3868.48**	**4998.15**
Less: Interest accrued but not due			**(49.81)**	**(37.99)**
Total Current Borrowings			**26,847.09**	**30,184.19**

Refer notes below for additional information on Non current and current borrowings

(i) The carrying amounts of financial and non-financial assets as security for secured borrowings are disclosed in Note 39 - Assets pledged as security.

(ii) In respect of borrowings made from Banks on the basis of security of current assets, quarterly statements of current assets filed by the Company with banks are in agreement with the books of accounts in respect of both years referred above and there are no material discrepancies found.

(iii) The above borrowings have been utilized by the Company for meeting requirement as per the terms of the borrowings.

(iv) **Security -**

The above borrowings are secured by way of first pari passu charge on all non current and current assets of the Company

•**Secured Term Loan from Banks, ECLG Scheme* and NBFC and current borrowings from banks:**
Secured by charge on movable assets and current assets and an extension of the charge on immovable assets of the Company and backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the Company.
•**Vehicle Loan:**
Secured by hypothecation of vehicle of the Company financed by such borrowings.

* Term loans from banks under ECLG scheme are also guaranteed by National Credit Guarantee Trustee Company Limited (Ministry of Finance, Government of India).

(v) Unsecured loan backed by personal guarantees of Mr. Gautam Maini, Managing Director and Mr. Sandeep Kumar Maini, Director of the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(vi) Terms of CCPS (Compulsorily Convertible Cumulative Preference Shares)

As per the terms of instrument, the investors Paragon Partners Growth Fund I and New Quest Asia Investments II Limited have certain redemption options including return thereon determined as per the relevant agreement dated August 19, 2016 for Series A and July 10, 2019 for Series B. CCPS is convertible in whole or in part, into equity shares as per the terms of the relevant agreements at any time before 19 years from the date of issuance at the option of the holder of such CCPS at a ratio of 1 equity share for 2.62 ('Series A' CCPS) and 0.32 ('Series B' CCPS) preference share held. The investors have various rights/option as per the relevant clause of the Agreements including buy back of shares by the Company. The instrument has been designated as financial liability measured at fair value through profit or loss as at Balance Sheet date.

CCPS carry cumulative dividend @ 0.0001% p.a. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holders of CCPS shall be entitled to attend all meetings of the shareholders of the Company and will be entitled to such voting rights on an 'as if converted' basis.

CCPS alloted will have priority with respect to payment of dividend in a liquidation event. The holder of the CCPS shall have preference over the other shareholders of the Company, including promoters for return of their capital. The proceeds of liquidation event shall be distributed as determined as per the relevant agreement.

Fair value (Gain)/Loss on CCPS (designated at Fair Value through Profit and Loss (FVTPL)) in the statement of Profit and Loss represents the fair value changes (net) on the outstanding CCPS and is in the nature of non cash item for the year.

Details of CCPS Shareholding

Name of the shareholders	As at March 31, 2024 (Refer note 16(g))		As at March 31, 2023	
	No. of Shares (in Lakhs)	% holding	No. of Shares (in Lakhs)	% holding
'Series A' CCPS of Rs. 10 each				
Paragon Partners Growth Fund I	-	-	183.78	76.58%
New Quest Asia Investments II Limited	-	-	56.22	23.42%
'Series B' CCPS of Rs. 10 each				
Paragon Partners Growth Fund I	-	-	4.79	76.58%
New Quest Asia Investments II Limited	-	-	1.46	23.42%

Net debt reconciliation	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	(1,639.82)	(138.14)
Borrowings	30,318.14	47,883.85
Interest accrued but not due on borrowings	93.82	79.40
Lease liabilities	2,203.26	2,711.63
	30,975.40	**50,536.74**

Net debt reconciliation

	Other assets	Liabilities from financing activities		
	Cash and Cash equivalents	Borrowings (Including interest accrued and current maturities)	Lease Liabilities	Total
Net Debt as at April 1, 2022	**(629.50)**	**55,104.20**	**2,883.47**	**57,358.17**
Other non-cash movements:				
- Acquisitions / Disposals	-	-	276.84	276.84
- Foreign Exchange fluctuation	-	(299.78)	-	(299.78)
- Cash flows	491.36	2,098.80	(448.68)	2,141.48
- Fair value gain on CCPS	-	(8,955.20)	-	(8,955.20)
- Interest expense	-	1,719.11	266.09	1,985.20
- Interest paid	-	(1,703.88)	(266.09)	(1,969.97)
Net Debt as at March 31, 2023	**(138.14)**	**47,963.25**	**2,711.63**	**50,536.74**
Other non-cash movements:				
- Acquisitions / Disposals	-	-	-	-
- Foreign Exchange fluctuation	-	2.21	-	2.21
- Cash flows	(1,501.68)	844.68	(508.37)	(1,165.38)
- Fair value gain on CCPS	-	(2,312.00)	-	(2,312.00)
- Conversion of CCPS to Equity	-	(16,100.60)	-	(16,100.60)
- Interest expense	-	2,063.37	246.79	2,310.16
- Interest paid	-	(2,048.95)	(246.79)	(2,295.74)
Net Debt as at March 31, 2024	**(1,639.82)**	**30,411.96**	**2,203.26**	**30,975.40**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 20 Provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 35)		
-Gratuity	2,664.14	2,272.44
Total	**2,664.14**	**2,272.44**

Note 21 Trade payables

	As at March 31, 2024	As at March 31, 2023
- micro and small enterprises (MSME) (Refer note 36)	1,232.81	986.98
- others	11,709.14	9,188.60
-related parties (Refer note 46)	39.91	10.40
Total	**12,981.86**	**10,185.98**

Trade Payable aging schedule

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024							
MSME	22.09	971.91	238.81	-	-	-	**1,232.81**
Others	2,313.99	3,389.84	5,838.00	86.57	29.30	51.44	**11,709.14**
Related Parties	-	-	39.91	-	-	-	**39.91**
Total	**2,336.08**	**4,361.75**	**6,116.72**	**86.57**	**29.30**	**51.44**	**12,981.86**

Particulars	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023							
MSME	0.70	976.07	10.21	-	-	-	**986.98**
Others	1,136.10	3,989.36	3,981.59	30.00	37.40	14.15	**9,188.60**
Related Parties	-	-	10.40	-	-	-	**10.40**
Total	**1,136.80**	**4,965.43**	**4,002.20**	**30.00**	**37.40**	**14.15**	**10,185.98**

*There are no disputed trade payables.

Note 22 Other financial liabilities

	As at March 31, 2024	As at March 31, 2023
Employee benefits payable	1,792.26	1,713.48
Interest accrued but not due on borrowings	93.82	79.40
Capital creditors	351.61	272.93
Security deposit	5.00	5.00
Derivative financial instruments (Refer Note 43)	-	103.88
Other payables	110.00	-
Total	**2,352.69**	**2,174.69**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 23 Provisions

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer note 35)		
-Gratuity	200.00	100.00
-Compensated absences	536.37	389.32
Provision for warranties	42.69	36.41
Total	779.06	525.73

A provision is recognised for expected warranty claims on products sold, based on past experience of the level of repairs and returns. It is expected that significant portion of these costs will be incurred in the next 12 months period. Assumptions used to calculate the provision for warranties are current sales level and past level of repairs and returns. The movement in provision is as below.

Movement during the year - Provision for Warranties

	As at March 31, 2024	As at March 31, 2023
Opening balance	36.41	28.79
Provided during the year	6.28	7.62
Closing balance	42.69	36.41

Note 24 Other Current liabilities

	As at March 31, 2024	As at March 31, 2023
Contract Liabilities*	25.01	0.77
Statutory dues payable	295.42	256.31
Other Liabilities	156.36	234.94
Total	476.79	492.02

* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 25 Revenue from Operations

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customers		
Sale of Products - recognised at a point in time		
(i) Manufactured goods - Domestic	22,539.24	20,324.98
(ii) Manufactured goods - Export	63,104.62	50,655.97
Total (A)	**85,643.86**	**70,980.95**
Sale of Services - recognised at a point in time		
(i) Manufactured goods - Domestic	135.83	243.81
(ii) Manufactured goods - Export	700.12	2.23
Total (B)	**835.95**	**246.04**
Revenue from contracts with customers (C= A+B)	**86,479.81**	**71,226.99**
Other operating revenue		
(i) Export Incentives	1,285.34	913.49
(ii) Process waste sale	1,889.07	1,808.71
(ii) Others	314.41	693.33
Total (D)	**3,488.82**	**3,415.53**
Total (C + D)	**89,968.63**	**74,642.52**

Notes:

(i) Disaggregation of revenue from contracts with customers:

The Company derives revenue from the transfer of goods and services in the following geographical regions:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Europe	39,621.15	30,781.60
India	22,675.07	20,568.79
America	19,601.15	16,885.71
Asia (other than India)	4,582.44	2,990.89
Total	**86,479.81**	**71,226.99**

The Company derives revenue from the transfer of following goods and services:

	For the year ended March 31, 2024	For the year ended March 31, 2023
- Auto	58,303.66	54,589.93
- Aerospace	27,340.20	16,391.02
Sale of Products (A)	**85,643.86**	**70,980.95**
- Auto	13.36	81.57
- Aerospace	822.59	164.47
Sale of Services (B)	**835.95**	**246.04**
Revenue from contracts with customers (A + B)	**86,479.81**	**71,226.99**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 26 Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income		
- on financial assets at amortised cost	20.62	76.25
Net gain on fair valuation of Investments through profit or loss	0.25	0.01
Net gain on foreign exchange fluctuations	1,146.04	169.91
Gain on fair valuation of CCPS	2,312.00	8,955.25
Net gain on disposal/discard of property, plant and equipment	-	38.36
Miscellaneous income	33.88	127.58
Total	**3,512.79**	**9,367.36**

Note 27 Cost of raw materials consumed

	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material at the beginning of the year	4,452.01	3,977.03
Purchases	39,119.64	31,901.99
Less : Raw material at the end of the year	7,257.48	4,452.01
Total	**36,314.17**	**31,427.01**

Note 28 Changes in inventories of work-in-progress and finished goods

	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening inventories		
Work-in-progress	5,951.84	5,466.32
Finished goods	11,913.73	10,264.54
	17,865.57	**15,730.86**
Closing inventories		
Work-in-progress	6,267.34	5,951.84
Finished goods	10,850.91	11,913.73
	17,118.25	**17,865.57**
Total	**747.32**	**(2,134.71)**

Note 29 Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, bonus, etc.	13,091.56	11,583.36
Gratuity Expense (Refer Note 35)	475.17	396.12
Contribution to provident and other funds (Refer Note 35)	873.98	796.91
Workmen and Staff welfare expenses	984.52	820.08
Total	**15,425.23**	**13,596.47**

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 30 Finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expenses on		
- borrowings	2,063.37	1,719.11
- lease obligations	246.79	266.09
- shortfall of advance tax	42.38	47.93
- others	172.95	252.31
Other borrowing costs	12.60	12.90
Total	**2,538.09**	**2,298.34**

Note 31 Depreciation and amortization expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	3,764.84	3,615.30
Depreciation on right-of-use asset	547.77	546.53
Amortization on intangible assets	76.49	112.05
Total	**4,389.10**	**4,273.88**

Note 32 Other Expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Manufacturing and Operating expenses		
Consumption of stores and spare parts	7,950.21	6,776.00
Power and fuel	2,118.35	1,880.82
Job work charges	6,884.99	6,192.45
Payment to labour contractor	1,579.75	1,660.72
Repairs to buildings	154.59	316.79
Repairs to machinery	239.62	332.56
Total (A)	**18,927.51**	**17,159.34**
(b) Other expenses		
Rent	39.94	46.13
Insurance	349.33	276.45
Repair and Maintenance - Others	404.01	282.97
Rates and Taxes	214.63	187.51
Freight, Octrol, etc	1,922.95	1,944.49
Warehousing handling charges	780.24	751.99
Legal and professional	2,149.19	586.22
Travelling and conveyance	365.74	267.32
Net loss on disposal/discard of property, plant and equipment	81.72	-
Net impairment losses on financial assets	23.78	59.66
Director sitting fee and commission	277.56	5.55
Advance written off	32.79	24.40
Corporate social responsibility (refer note 47)	16.50	17.30
Provision for warranty	6.28	7.62
Miscellaneous expenses	793.00	832.21
Total (B)	**7,457.66**	**5,289.82**
Total (A+B)	**26,385.17**	**22,449.16**

(c) Details of payment to auditors included in legal and professional expenses

Payment to auditors		
a) Audit fees	36.00	35.00
b) Reimbursement of out-of-pocket expenses	-	2.00
Total payments to auditors	**36.00**	**37.00**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Chartered Accountants FRN 012754N/N500016 Mumbai

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Note 33 Exceptional Items

Particulars	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Deferred Expenses pertaining to Proposed IPO written off	-	679.31
Exceptional Items (net)	**-**	**679.31**

During the year ended March 31, 2022, the Company had filed Draft Red Herring Prospectus (DRHP) with the relevant authority as regards its proposed Initial Public Offer (IPO). During the previous year, the Company had withdrawn the said DRHP and consequent to which, deferred expenses of Rs 679.31 lakhs representing costs incurred towards proposed IPO had been charged off during the previous year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 34(a): Income Taxes

Tax expense recognised in the Statement of Profit and Loss

	As at March 31, 2024	As at March 31, 2023
Current tax		
Current year	1,823.33	853.23
Tax in respect of earlier years	142.58	-
Total current tax	**1,965.91**	**853.23**
Deferred tax		
Deferred tax charge	(330.94)	(252.47)
Total deferred tax	**(330.94)**	**(252.47)**
Total tax expense	**1,634.97**	**600.76**

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows :

Reconciliation of effective tax rate	As at March 31, 2024	As at March 31, 2023
Profit before exceptional items and tax	7,682.34	12,099.73
Applicable income tax rate	**25.17%**	**25.17%**
Tax Expense at applicable income tax rate	1,933.49	3,045.26
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Permanent Disallowances	20.39	(4.35)
Fair Value gain on CCPS	(581.88)	(2,249.45)
Tax in respect of earlier years	142.58	-
Others	120.39	(190.70)
Total income tax expense	**1,634.97**	**600.76**

Consequent to reconciliation items shown above, the effective tax rate is 21.28% (March 31, 2023: 4.97%)

Note 34(b): Income tax assets (net)

	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provision of Rs. 2,613.95 Lakhs (March 31, 2023: Rs. 1,460.00 Lakhs))	469.67	502.40
	469.67	**502.40**

Note 34(c): Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (net of taxes paid of Rs. 1,552.90 Lakhs (March 31,2023: Rs. 600.00 Lakhs))	270.43	457.84
	270.43	**457.84**

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 34(d): Deferred tax liabilities (net)

The movement in deferred tax assets and liabilities during the year ended March 31, 2024

Particulars	As at April 01, 2023	(Credit)/charge in Statement of Profit and Loss	(Credit)/charge in OCI	As at March 31, 2024
Deferred tax liabilities on account of:				
Property plant and equipment and intangible assets	1,999.23	(205.10)	-	1,794.13
Right-of-use Assets	541.88	(137.86)	-	404.02
	2,541.11	**(342.96)**	-	**2,198.15**
Deferred tax (assets) on account of :				
Amounts allowable for tax purpose on payment basis	(695.08)	(189.21)	(54.50)	(938.79)
Allowances for doubtful receivable	(51.93)	(6.24)	-	(58.17)
Lease Liabilities	(682.46)	127.94	-	(554.52)
Others	(137.73)	79.54	-	(58.19)
	(1,567.20)	**12.03**	**(54.50)**	**(1,609.67)**
Total	**973.91**	**(330.93)**	**(54.50)**	**588.48**

The movement in deferred tax assets and liabilities during the year ended March 31, 2023

Particulars	As at April 01, 2022	(Credit)/charge in Statement of Profit and Loss	(Credit)/charge in OCI	As at March 31, 2023
Deferred tax liabilities on account of:				
Property plant and equipment and intangible assets	2,288.04	(288.81)	-	1,999.23
Right-of-use Assets	605.95	(64.08)	-	541.88
Others	35.08	(35.08)	-	-
	2,929.07	**(387.97)**	-	**2,541.11**
Deferred tax (assets) on account of :				
Amounts allowable for tax purpose on payment basis	(534.22)	(117.47)	(43.39)	(695.08)
Allowances for doubtful receivable	(37.17)	(14.76)	-	(51.93)
Lease Liabilities	(725.70)	43.24	-	(682.46)
Others	(362.21)	224.48	-	(137.73)
	(1,659.30)	**135.49**	**(43.39)**	**(1,567.20)**
Total	**1,269.77**	**(252.48)**	**(43.39)**	**973.91**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 35: Post retirement benefit plans
i) Defined benefit plans - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of services, subject to ceiling of Rs. 20 lakhs . The gratuity plan is funded plan and the Company makes contributions to recognised fund in India.

The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as below:

A. Balance Sheet

	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	4,004.67	3,360.84
Fair value of plan assets	(1,140.53)	(988.40)
Net defined benefit obligation	2,864.14	2,372.44

B. Movements in plan assets and plan liabilities

	As at March 31, 2024			As at March 31.2023		
	Plan liabilities	Plan Assets	Net	Plan liabilities	Plan Assets	Net
As at beginning of the year	3,360.84	(988.40)	2,372.44	2,844.89	(1,040.95)	1,803.94
Current service cost (including past service cost)	298.04	-	298.04	265.43	-	265.43
Interest (cost)/Income	250.92	(73.79)	177.13	206.11	(75.42)	130.69
Remeasurements:						
Return on plan assets excluding actual return on plan asset	-	10.62	10.62	-	26.82	26.82
Gain/(loss) arising from changes in demographic assumptions	(87.10)	-	(87.10)	-	-	-
Gain/(loss) arising from changes in financial assumptions	102.48	-	102.48	(106.88)	-	(106.88)
Gain/(loss) arising from experience adjustments	190.53	-	190.53	252.44		252.44
Employer contributions	-	(200.00)	(200.00)	-	-	-
Benefits paid	(111.04)	111.04	-	(101.15)	101.15	-
As at end of the year	4,004.67	(1,140.53)	2,864.14	3,360.84	(988.40)	2,372.44

The present value of obligation at each balance sheet date above relates to active employees.

C. The Company expects to contribute Rs. 200.00 lakhs to the funded plans in financial year 2024-25 (2023-24 Rs 100.00 lakhs) for gratuity.

D. Statement of Profit and Loss

	Year ended March 31, 2024	Year ended March 31, 2023
Employee Benefit Expenses:		
Current service cost (including past service cost)	(298.04)	(265.43)
	(298.04)	(265.43)
Interest Cost	(177.13)	(130.69)
Net impact on the Profit before tax	(475.17)	(396.12)
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding actual return on plan asset	10.62	26.82
Gain/(loss) arising from changes in demographic assumptions	(87.10)	-
Gain/(loss) arising from changes in financial assumptions	102.48	(106.88)
Gain/(loss) arising from experience adjustments	190.53	252.44
Net impact on the Other Comprehensive Income before tax	216.53	172.38

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

E. Assets

	As at March 31, 2024	As at March 31, 2023
Insurer managed fund	(1,140.53)	(988.40)
Total	(1,140.53)	(988.40)

F. Significant Estimate: Actuarial assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at March 31, 2024	As at March 31, 2023
Financial Assumptions		
Discount rate	7.15%	7.44%
Salary Escalation Rate	1st two years: 7%; 8% thereafter	1st two years: 7%; 8% thereafter
Attrition rate, based on age		
Upto 30 years	N.A.	5.00%
31-40 years	N.A.	3.00%
Above 40 years	N.A.	2.00%
Attrition rate, based on completed year of service		
Less than 5 years	31.00%	N.A.
5 or more years	3.00%	N.A.
Return on plan assets	7.15%	7.44%

Demographic Assumptions
Mortality in Service : Indian Assured Lives Mortality 2012-14 (Urban)

G. Sensitivity

The sensitivity of the net defined benefit obligation to changes in the weighted key assumptions are:

	Change in assumption	As at March 31, 2024		As at March 31, 2023	
		Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(386.56)	453.28	(355.33)	420.22
Salary Escalation Rate	1%	373.20	(360.57)	361.68	(340.55)
Attrition rate	50%	(58.46)	75.09	(21.06)	24.08

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year, except for attrition rate where the basis for assumption has changed, refer point F above.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore
560 058

H. The defined benefit obligations shall mature after year end March 31, 2024 as follows:

Gratuity :	Defined benefit obligation	
	As at March 31, 2024	As at March 31, 2023
1st year	237.46	123.88
2nd year	197.91	163.94
3rd year	280.24	159.87
4th year	276.42	230.47
5th year	290.12	222.38
Thereafter	8,729.83	8,705.67

Risk Exposure

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

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

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

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

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20.00 Lakhs).

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

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

(ii) Defined contribution plans :

The Company also has certain defined contribution plans. Contributions are made to provident fund, employe's state insurance scheme etc in India for employees. The contributions are made to registered fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs 873.98 Lakhs. (March 31, 2023 Rs. 796.91 lakhs).

(iii) Compensated absences:

The provision for compensated absences cover the Company's liability for sick and earned leave.
The amount of the provision of Rs 536.37 lakhs for March 31, 2024 (Rs 389.32 lakhs for March 31, 2023) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-36 The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 are as follows.

	As at March 31, 2024	As at March 31, 2023
Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end	1,210.72	979.98
Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at the year end	15.09	7.00
Interest paid, other than under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of the MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed date during the year	-	5.70
Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Interest accrued and remaining unpaid at the end of each accounting year	15.09	7.00
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of deductible expenditure under section 23 of the MSMED Act	7.00	-

Note 37: Proper books of account as required by law have been kept by the Company except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period July 17, 2023 to September 7, 2023, during which backup was maintained on weekly basis.

Note 38: Earnings per share

		Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equityholders for computation of Basic EPS	A	6,047.37	10,819.66
Add: Fair value gain on CCPS		(2,312.00)	(8,955.25)
Profit attributable to equityholders for computation of Diluted EPS	B	3,735.37	1,864.41
Weighted average number of equity shares At the beginning of the year (in nos.)		41,314,855	41,314,855
Add: Issued during the year on conversion of CCPS		486,233	-
Weighted average number of equity shares for basic EPS (in nos.)	C	41,801,088	41,314,855
Earnings Per Share (Rs.)	A/C	14.47	26.19
Weighted average number of equity shares outstanding for basic EPS (in nos.)		41,801,088	41,314,855
Effect of dilution: CCPS equivalent shares of Rs.2 per share (Refer note below)		10,636,352	11,120,000
Weighted average number of equity shares for dilutive EPS (in nos)	D	52,437,440	52,434,855
Dilutive Earnings Per Share (Rs.)	B/D	7.12	3.56
Nominal value per equity share (in Rs.)		2.00	2.00

On March 15, 2023, pursuant to share holders agreements , cumulative compulsorily convertible preference shares (CCPS) of Series A and Series B has been converted based on the conversion ratio of 1: 0.38 and 1:3.11 respectively. Accordingly, CCPS Series A and Series B, shares of Rs. 2 each, have been converted to 11,123,585 shares. (Refer note 16(g) and 19(vi))

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 39 :Assets pledged as security

The carrying amounts of assets pledged as security are:

Current Assets	**As at March 31, 2024**	**As at March 31, 2023**
Floating Charge		
Trade receivables	19,923.86	19,051.74
Inventories	25,061.56	23,060.68
Cash and cash equivalents	1,639.82	138.14
Loans	40.43	128.26
Others financial asset	177.73	7.09
Other current assets	6,431.37	4,421.76
Total Current assets given as security	**53,274.77**	**46,807.67**
Non Current Assets		
Fixed charge		
Property, Plant and Equipment	23,388.18	23,030.34
Capital work - in - progress	20.94	126.10
Intangible asset	123.91	96.63
Total non-current assets pledged as security	**23,533.03**	**23,253.07**
Total assets pledged as security	**76,807.80**	**70,060.74**

Note 40: Contingent liabilities (to the extent not provided for)

Contingent Liabilities	**As at March 31, 2024**	**As at March 31, 2023**
(i) Claims against the Company not acknowledged as debts in respect of:		
Income Tax Matters	507.85	507.85
Excise Matters	592.58	1,085.60
Service Tax Matters	248.50	248.50
Goods and Service Tax Matters	17.58	17.58
Total	**1,366.51**	**1,859.53**

(ii)The Supreme Court of India, through a ruling in February 2019, provided guidelines for interpreting the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. There is significant uncertainty and ambiguity in interpreting and giving effect to the guidelines of Supreme Court. The Company believes that there will be no significant impact on its contributions to Provident Fund due to the Supreme Court Order. The Company will evaluate its position and act as clarity emerges on impact of the ruling.

The amount shown in respect of above items represent the best possible estimates arrived at on basis of available information. The uncertainties are dependent on the outcome of different legal process. The timing of cash flows will be determinable only on receipt of judgement / decisions pending with various forums / authorities.

The Company does not expect any reimbursements in respect of the above contingent liabilities except for matters related to Income Tax, Excise duty and Goods and Service Tax matters as per the terms of Shareholders' Agreement dated November 03, 2023, refer note 51.

Note 41: Commitments

Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at March 31, 2024	**As at March 31, 2023**
Property, plant and equipment	4,499.91	2,116.63
Less: Capital advances	1,167.26	450.15
Property, plant and equipment (Net of capital advances)	**3,332.65**	**1,666.48**

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 42: Fair Value measurement

Financial instruments by category

	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments	0.57	-	0.32	-
Loans	-	142.77	-	211.28
Derivative Financial instruments	176.21	-	-	-
Other Financial Assets	-	522.12	-	551.71
Trade receivable	-	19,923.86	-	19,051.74
Cash and bank balance	-	1,639.82	-	138.14
	176.78	**22,228.57**	**0.32**	**19,952.87**
Financial Liabilities				
Borrowings	-	30,318.14	18,412.60	29,471.25
Derivative financial instruments	-	-	103.88	-
Trade Payables	-	12,981.86	-	10,185.98
Other financial liabilities	-	2,352.69	-	2,070.81
	-	**45,652.69**	**18,516.48**	**41,728.04**

Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments	0.57	-	-	0.32	-	-
Derivative Financial instruments	-	176.21	-	-	-	-
Total financial assets	**0.57**	**-**	**-**	**0.32**	**-**	**-**
Financial Liabilities						
Borrowings	-	-	-	-	-	18,412.60
Derivative financial instruments	-	-	-	-	103.88	-
Total financial liabilities	**-**	**-**	**-**	**-**	**103.88**	**18,412.60**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Maini Precision Products Ltd.
Bangalore
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Financial instruments by category
The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
1. Fair value of trade receivables, cash and cash equivalent, other current financial asset (other than derivatives), current loans, trade payable, current borrowings (other than CCPS) and other current financial liabilities (other than derivatives) approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

3. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

4. All borrowings of the Company carry variable rate of interest and hence, the fair value is equivalent to its carrying amounts.

5. With respect to non current term security deposits which are interest bearing as these are driven by market driven rate of interest, the fair value are considered to be equivalent to its carrying value. With respect to other non current deposits and interest free loan, considering the amounts involved are not significant, accordingly fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation Technique used to determine fair value
- the use of quoted market prices for quoted shares.
- the fair value of forward exchange contracts is determined using forward exchange rates at the reporting date.
- CCPS issued by the Company have been designated by the Company as financial liability carried at fair value through profit and loss. The Company has valued the instrument by using the discounted cash flow model. The fair valuation requires management to make certain judgments about the model inputs, including forecast cash flows, discount rate, credit risk and volatility.

Reconciliation of fair value measurement of CCPS:

Particulars	Amount (Rs. In Lakhs)
Balance as at April 01, 2022	**27,367.85**
Changes in fair value measurement of CCPS	(8,955.25)
Balance as at March 31, 2023	**18,412.60**
Changes in fair value measurement of CCPS	(2,312.00)
Conversion of CCPS to Equity Shares	(16,100.60)
Balance as at March 31, 2024	-

Sensitivity

Following table describes the valuation techniques used and key inputs to valuation of CCPS:

Sensitivity of the inputs to Fair value	Fair value hierarchy	Valuation techniques	Inputs used
For 1% increase in discounting rate, profit before tax will increase by Rs. 120.14 million for the year ended March 31, 2023 and for 1% decrease in discounting rate, profit before tax will decrease by Rs. 143.19 million for the year ended March 31, 2023.	Level 3	Market valuation techniques	Valuation done by a third party valuation expert by using the DCF method

As at March 31, 2024, CCPS have been converted into equity shares.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 43 : Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. The Company financial risk management is set by the Managing Director along with head of departments. The policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls are monitored by higher authorities and approved by senior management. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

A) 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, the Company performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

a) Exposure to interest rate risk

Particulars	As at March 31, 2024	As at March 31, 2023
Total borrowings (excluding CCPS)	30,318.14	29,471.25
Borrowings bearing variable rate of interest	30,318.14	29,471.25
% of Borrowings bearing variable rate of interest	100%	100%

b) Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

	Year ended March 31, 2024	Year ended March 31, 2023
50 bp increase would decrease the profit before tax by	151.59	147.36
50 bp decrease would Increase the profit before tax by	(151.59)	(147.36)

b) Market risk - Foreign Currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by Forward Contracts, purchasing of goods, commodities and services in the respective currencies.

(a)Foreign Currency Exposure as at the reporting date

Particulars	As at March 31, 2024														
	USD (in Lakhs.)	In Rs	EUR (in Lakhs.)	In Rs	GBP (in Lakhs.)	In Rs	CAD (in Lakhs.)	In Rs	JPY (in Lakhs.)	In Rs	SEK (in Lakhs.)	In Rs	SGD (in Lakhs.)	In Rs	Total (In Rs.)
Trade Receivable	124.30	10,363.79	54.40	4,907.60	-	-	0.33	20.37	-	-	-	-	-	-	15,291.76
Offset by Derivatives : Foreign Exchange Forwards Contracts	(59.00)	(4,927.08)	(54.40)	(4,907.60)	-	-	-	-	-	-	-	-	-	-	(9,834.68)
Net Exposure (to the extent of outstanding balance)	**65.30**	**5,436.71**	-	-	-	-	**0.33**	**20.37**	-	-	-	-	-	-	**5,457.08**
Balance with banks	7.32	610.31	1.07	96.27	-	-	-	-	-	-	-	-	-	-	706.58
Trade Payable	(24.79)	(2,066.46)	(3.32)	(299.52)	(0.27)	(28.18)	-	-	(26.15)	(14.40)	(3.66)	(28.49)	(0.04)	(2.37)	(2,439.42)
Packing Credit in Foreign Currency (including interest)	(183.93)	(15,251.44)	(49.62)	(4,476.56)	-	-	-	-	-	-	-	-	-	-	(19,728.00)

Particulars	As at March 31, 2023														
	USD (in Lakhs.)	In Rs	EUR (in Lakhs.)	In Rs	GBP (in Lakhs.)	In Rs	CAD (in Lakhs.)	In Rs	JPY (in Lakhs.)	In Rs	SEK (in Lakhs.)	In Rs	SGD (in Lakhs.)	In Rs	Total (In Rs.)
Trade Receivable	122.91	10,105.38	42.94	3,848.01	-	-	-	-	-	-	-	-	-	-	13,953.39
Offset by Derivatives : Foreign Exchange Forwards Contracts	(73.00)	(6,002.53)	(42.94)	(3,848.01)	-	-	-	-	-	-	-	-	-	-	(9,850.54)
Net Exposure (to the extent of outstanding balance)	**49.91**	**4,102.85**	-	-	-	-	-	-	-	-	-	-	-	-	**4,102.85**
Balance with banks	1.21	99.48	0.23	20.37	-	-	-	-	-	-	-	-	-	-	119.85
Trade Payable	(12.81)	(1,052.97)	(5.55)	(497.67)	(0.21)	(21.78)	-	-	(3.12)	(1.93)	(3.51)	(27.81)	-	-	(1,602.16)
Packing Credit in Foreign Currency (including interest)	(124.04)	(10,327.54)	(11.96)	(1,072.01)	-	-	-	-	-	-	-	-	-	-	(11,399.55)

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

(b)Derivative outstanding as at the reporting date

(in Lakhs)

Foreign currency	As at March 31, 2024		As at March 31, 2023	
	Sell	Buy	Sell	Buy
Forward Contracts USD*	59.00	-	73.00	-
Forward Contracts EURO*	64.00	-	44.00	-

* The Company enters into derivative contracts to hedge its foreign currency risk exposure and the company does not expect any significant impact from such foreign currency risk exposures.
Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Foreign Currency Risk Sensitivity
A change of 5% in foreign currency would have following impact on profit before tax

	Year ended March 31, 2024		Year ended March 31, 2023	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(563.54)	563.54	(358.91)	358.91
EURO	(233.99)	233.99	(77.47)	77.47
GBP	(1.41)	1.41	(1.09)	1.09
JPY	1.02	(1.02)	-	-
CAD	(0.72)	0.72	(0.10)	0.10
SEK	(1.42)	1.42	(1.39)	1.39
SGD	(0.12)	0.12	-	-
Increase/ (Decrease) in Profit or Loss	(800.18)	800.18	(438.96)	438.96

(c)Price Risk
Exposure
The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through Statement of Profit and Loss. The exposure is not significant.

Sensitivity
The table below summarises the impact of increases/decreases of the BSE index on the Company's equity and other comprehensive income for the year arising from portfolio of investment in equity shares of listed company. The analysis is based on the assumption that the index has increased by 10 % or decreased by 10 % with all other variables held constant, and that the Company's equity instrument moved in line with the index.

	Year ended 31st March, 2024	Year ended 31st March, 2023
BSE Sensex 50- Increase 10% *	0.06	0.03
BSE Sensex 50- Decrease 10% *	(0.06)	(0.03)

* Holding all other variables constant

B) Credit risk
Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.
The Company is exposed to credit risk from its operating activities (primarily trade receivables), security deposit, loans and from its investing activities. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Cash and cash equivalent and other bank balances
Credit risk related to cash and cash equivalents is managed by accepting highly rated banks. Management does not expect any losses from non-performance by these counterparties.

Other financial assets measured at amortized cost
Other financial assets measured at amortized cost includes bank deposits. Credit risk related to these assets are managed by monitoring the recoverability of such amounts continuously, while at the same time the internal control system in place ensures that amounts are within defined limits. Considering the amounts involved are not significant, the expected credit loss on these financial instruments is expected to be insignificant.

Trade and other receivables
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days for which the receivables are due and the expected loss rates have been computed based on ageing.

Chartered Accountants

BANGALORE 560 058

57

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Movement in allowances for expected credit losses on trade receivables

	As at March 31, 2024	As at March 31, 2023
As at beginning of the year	207.36	147.70
Add: Loss allowances during the year	23.78	59.66
As at end of the year	231.14	207.36

Ageing	Expected credit loss % As at March 31, 2024	Expected credit loss % As at March 31, 2023
Not Due	0%	0%
0-90 days	0%	0%
91-180 days	2%	2%
181-270 days	25%	25%
271-360 days	100%	100%
more than 360 days	100%	100%

C) Liquidity Risk
Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Financing arrangements
The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at March 31, 2024	As at March 31, 2023
Variable Borrowing -Cash Credit expires within 1 year	3,621.53	6,140.43

The cash credit facilities may be drawn at any time and be terminated by bank without notice. Subject to satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR.

Maturities of financial liabilities

As at March 31, 2024	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Current borrowings	-	29,397.04	-	-	29,397.04
Non current borrowing	-	2,544.15	3,471.03	-	6,015.18
Trade payable	-	12,981.86	-	-	12,981.86
Lease liabilities	-	572.51	2,026.54	-	2,599.05
Other financial liabilities	-	2,258.87	-	-	2,258.87
Total	-	47,754.43	5,497.57	-	53,252.00

As at March 31, 2023	On demand	Less than 1 year	1-5 years	More than 5 years	Total
Current borrowings	111.84	18,571.01	-	-	18,682.85
Non current borrowing	-	7,267.88	22,012.52	-	29,280.40
Trade payable	-	10,185.98	-	-	10,185.98
Lease liabilities	-	420.92	2,934.80	-	3,355.72
Other financial liabilities	-	2,095.29	-	-	2,095.29
Total	111.84	38,541.08	24,947.32	-	63,600.24

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-44 Capital risk management

(a) The Company aims to manage its capital efficiently so as to safeguard its ability to continue as going concern and optimise return to shareholder.

The capital structure of the Company is based on management judgement of the appropriate balance of key element in order to meet its strategic and day to day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and risk characteristics of the underlying asset. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with focus on total equity so as to maintain stakeholder confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company's management monitors the return on capital as well as the level of dividends to shareholders.

The Company monitors the gearing ratio to evaluate debt leveraging and to ensure debts are maintained at the acceptable level.

The gearing ratio were as follows:

	As at March 31, 2024	**As at March 31, 2023**
Net Debt *	30,975.40	50,536.74
Total Equity	28,688.21	6,702.27
Net Debt to total equity	1.08	7.54

* Includes borrowings, lease liabilities, interest accrued thereon which is compensated by cash and cash equivalents.
The Company has not paid any dividend for the current year as well as previous year to the equity shareholders.

Note-45 Company Secretary (CS) of the Company has resigned w.e.f. April 30, 2024 and the Company is in the process of appoining company secretary in accordance with section 203 (4) of the Act. Consequent to this, there is no CS as on the date of the adoption of the financial statement.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE 560 058

59

(All amounts are in Rs. lakhs, unless stated otherwise)

Note-46 Related Party disclosure as per Ind AS 24

1. **Name of the Related Parties :**

Related parties where control exists, irrespective of whether transaction has occurred or not:

(a) **Ultimate Holding Company**
Raymond Limited (w.e.f March 28, 2024)

(b) **Parent of Holding Company**
JK Files & Engineering Limited (w.e.f March 28, 2024)

(c) **Holding Company**
Ring Plus Aqua Limited (w.e.f March 28, 2024)

Other related parties with whom transactions have taken place during the year:

(d) **Key Management Personnel (KMP):**

Managing director ('MD')	: Mr. Gautam Maini
Director	: Mr. Sandeep Kumar Maini
Director	: Mr. Rahul Matthan *
Director	: Mr. Siddharth Deepak Parekh (upto April 23, 2023)
Director	: Mr. Nitin Lalpuria (upto October 31, 2023)
Director	: Dr. Kewal Krishan Nohria *
Director	: Ms. Rukmani Menon
Whole time Director	: Mr. V. Sridhar*
Company Secretary	: Mr. Vijayesh Rajendran**

* subsequent to year end, these directors have resigned as of April 01, 2024, additionally, Mr. V.Sridhar resigned as Wholetime Director with effect from April 1, 2024 but continues to remain as the Chief Financial Officer.
** Mr. Vijayesh Rajendran resigned with effect from April 30, 2024 (Refer Note 45)

(e) **Entities over which KMPs are able to exercise significant influence:**
Maini Materials Movement Private Limited
KMaini Motorsports India Private Limited (Upto March 28, 2024) (Refer Note 16 (h))
Armes Maini Storage Systems Private Limited
Virya Mobility 5.0 LLP
Bangalore Transport Finance Company
Gramothan Foundation
Print Brew

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

(All amounts are in Rs. lakhs, unless stated otherwise)

2. Transactions carried out with related parties and balances outstanding referred in 1 above for the year ended and as at March 31, 2024, in ordinary course of business :

Disclosure in respect of material transactions with related parties during the year	Year ended March 31, 2024	Year ended March 31, 2023
Purchases :		
Cost of raw materials consumed		
Maini Materials Movement Private Limited	22.07	15.69
Purchase of property,plant and equipment		
Maini Materials Movement Private Limited	23.59	57.26
Armes Maini Storage Systems Private Limited	50.23	-
Virya Mobility 5.0 LLP	1.65	-
Sale of Products - recognised at a point in time		
Maini Materials Movement Private Limited	3.72	10.89
Virya Mobility 5.0 LLP	23.22	34.00
Sale of Services - recognised at a point in time		
Maini Materials Movement Private Limited	10.31	11.24
Employee benefits expense		
Mr. Gautam Maini	115.34	142.46
Mr. V Sridhar	84.83	87.14
Mr. Vijayesh Rajendran	19.13	17.90
Commision paid to directors		
Mr. Gautam Maini	219.66	-
Dr. Kewal Krishan Nohria	53.45	-
Director sitting fee		
Dr. Kewal Krishan Nohria	0.35	1.40
Ms. Rukmani Menon	2.10	1.75
Mr. Sandeep Kumar Maini	0.25	0.30
Mr. Rahul Matthan	1.75	2.10
Travelling and conveyance		
Bangalore Transport Finance Company	88.08	97.99
Payment made towards lease liabilities		
Mr. Gautam Maini	32.40	32.40
Maini Materials Movement Private Limited	210.37	200.35
Contribution towards CSR expenses		
Gramothan Foundation	16.50	17.30
Reimbursement of Expenses:		
Maini Materials Movement Private Limited	-	37.20
Mr. Gautam Maini	25.51	13.30
Mr. V Sridhar	4.25	8.05
Mr. Vijayesh Rajendran	1.17	0.72
Freight, Octrol, etc		
Bangalore Transport Finance Company	41.99	41.99
Repair and Maintenance - Others		
Print Brew	-	4.16
Armes Maini Storage Systems Private Limited	6.95	6.66
Miscellaneous expenses		
Print Brew	6.83	0.13

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

2. Transactions carried out with related parties and balances outstanding referred in 1 above for the year ended and as at March 31, 2024, in ordinary course of business :

Outstandings :	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Trade Payable		
Maini Materials Movement Private Limited	-	10.40
Bangalore Transport Finance Company	36.42	-
Armes Maini Storage Systems Private Limited	3.49	-
Trade Receivable		
Maini Materials Movement Private Limited	-	13.26
Virya Mobility 5.0 LLP	-	40.12
Advances to suppliers		
Bangalore Transport Finance Company	-	0.89
Capital creditors		
Maini Materials Movement Private Limited	-	60.54
Other Payable		
Mr. Gautam Maini	110.00	-

Other information :

1. The transactions with related parties are made by the Company on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash.
2. Refer note 19 (v) for details of personal guarantees provided by the Company's directors for the borrowings of the Company.
3. The amount in respect of gratuity and compensated absences is not disclosed as the same is not determinable for the key managerial person separately.

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 47 :- Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects (Gramothan Foundation)	16.50	17.30
Total	**16.50**	**17.30**
Amount required to be spent as per Section 135 of the Act	**16.50**	**17.30**
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above *	16.50	17.30

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

	Balance as at beginning of the year	**Amount deposited in Specified Fund of Schedule VII of the Act within 6**	**Amount required to be spent during the year**	**Amount spent during the year ***	**Balance unspent as at end of the year**
For the year ended March 31, 2024	-	-	16.50	16.50	-
For the year ended March 31, 2023	-	-	17.30	17.30	-

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 48 Segment Information

A. Segment description

The Company's Management team is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'.

The Company is organised into business units based on its products and has two reportable segments, as follows:

a) Automotive and Industrial Segment – includes manufacturing of precision products including parts for transmissions, engines, hydraulics, power tool, hand primers and filters.

b) Aerospace Segment – includes various precision parts which are used in the manufacture of aircrafts.

(a) Summary of segment Information is as follows:

Particular	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Auto and Industrial Segment	**Aerospace Segment**	**Total**	**Auto and Industrial Segment**	**Aerospace Segment**	**Total**
Segment Revenue						
External Revenue	60,737.05	29,231.58	89,968.63	57,527.85	17,114.67	74,642.52
Total Revenue	**60,737.05**	**29,231.58**	**89,968.63**	**57,527.85**	**17,114.67**	**74,642.52**
Segment Result	**3,572.63**	**6,968.04**	**10,540.67**	**3,765.89**	**3,251.92**	**7,017.81**
Add / (Less):						
Unallocated income/(expenses) (Net) (excluding fair value of CCPS)			(2,632.24)			(1,574.99)
Fair value of CCPS			2,312.00			8,955.25
Finance Cost			(2,538.09)			(2,298.34)
Profit before exceptional items and tax			**7,682.34**			**12,099.73**
Add / (Less) : Exceptional items			-			(679.31)
Tax Expense			(1,634.97)			(600.76)
Profit for the year			**6,047.37**			**10,819.66**
Other Comprehensive income			(162.03)			(128.99)
Total Other Comprehensive income			**5,885.33**			**10,690.67**
Segment Assets	50,715.52	28,495.98	79,211.50	51,136.54	20,651.20	71,787.74
Unallocated assets			2,111.55			2,592.63
Total Assets			**81,323.05**			**74,380.37**
Segment Liabilities	14,427.25	7,030.29	21,457.54	11,649.97	4,422.17	16,072.14
Borrowings			30,318.14			47,883.85
Other unallocated liabilities			859.18			3,722.10
Total Liabilities			**52,634.86**			**67,678.09**
Capital Expenditure						
Segment capital expenditure	3,167.49	1,805.30	**4,972.79**	1,882.76	126.72	**2,009.48**
Depreciation and Amortisation:						
Segment depreciation and amortisation	2,923.37	1,465.73	**4,389.10**	2,911.98	1,361.90	**4,273.88**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS
BANGALORE
560 058

64

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 48 Segment Information (Contd...)

Entity wide disclosure
Information in respect of Geographical area
Segment revenue*

	Year ended March 31, 2024	Year ended March 31, 2023
India	22,675.07	20,568.79
America	19,601.15	16,885.71
Europe	39,621.15	30,781.60
Asia (other than India)	4,582.44	2,990.89
Revenue from contract with customers	**86,479.81**	**71,226.99**
Add: Other operating revenue	3,488.82	3,415.53
Total Revenue	**89,968.63**	**74,642.52**

Non-current asset**

	Year ended March 31, 2024	As on March 31, 2023
India	26,955.11	26,442.34
America	-	-
Europe	-	-
Asia (other than India)	-	-
Revenue from contract with customers	**26,955.11**	**26,442.34**

* Based on location of customer
** Excluding financial asset and income tax assets (net), deferred tax assets

(b) Considering the nature of business of the Company in which it operates, the company deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Company.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE
560 058

65

(All amounts are in Rs. lakhs, unless stated otherwise)

Note 49: Analytical Ratios

Sr No.	Ratio	Numerator	Denominator	Unit of measurement	March 2024	March 2023	Variance
(a)	Current Ratio	Current Assets	Current Liabilities	in times	1.20	1.05	14.23%
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	in times	1.13	7.55	-84.98%
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	in times	17.18	24.33	-29.39%
(d)	Return on Equity Ratio	Net Profits after taxes-Preference Dividend	Average shareholder's Equity	in percentages	34.18%	797.36%	-95.71%
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	in times	2.33	2.85	-18.28%
(f)	Trade Receivable Turnover Rati	Net Sales excluding export incentive	Average Trade Receivable	in times	4.62	4.39	5.12%
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	in times	5.65	5.42	4.36%
(h)	Net Capital turnover Ratio	Net sales	Average working capital	in times	10.00	31.54	-68.29%
(i)	Net Profit Ratio	Net Profit	Net sales	in percentages	6.72%	14.50%	-53.63%
(j)	Return on Capital Employed	Earning before interest and taxes	Capital Employed	in percentages	16.73%	23.98%	-30.24%
(k)	Return on investment	Earning before interest and taxes	Closing total assets	in percentages	12.57%	18.44%	-31.86%

Reasons for variance of more than 25% in above ratios :

Sr No.	Ratio	Reasons for the Variances
(a)	Debt-Equity Ratio	Decrease is mainly on account of conversion of Compulsory Convertible Preference Shares into Equity shares and profit for the year.
(b)	Debt Service Coverage Ratio	Decrease is mainly on account of reduction in net profit in the current year.
(c)	Return on Equity Ratio	Decrease is mainly on account of increase in average capital in current year and due to profit for the year.
(d)	Net Capital turnover Ratio	Decrease is mainly on account of increase in working capital and due to conversion of Compulsory Convertible Preference Shares into Equity shares in current year.
(e)	Net Profit Ratio	Decrease is mainly on account of reduction in net profit in the current year.
(f)	Return on Capital Employed	Decrease is mainly on account of reduced earnings before interest and taxes as the Gain on Fair valuation of CCPS has reduced in the current year
(g)	Return on investment	Decrease is mainly on account of reduced earnings before interest and taxes as the Gain on Fair valuation of CCPS has reduced in the current year

Waterhouse Chartered Accountants LLP LLPIN AAC-5001 Chartered Accountants Mumbai

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 50: Additional and regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property Plant & Equipment and intangible asset
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.

(iii) Wilful defaulter
The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies:
The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

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

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

(ix) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(x) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

MAINI PRECISION PRODUCTS LTD.
BANGALORE 560 058

Maini Precision Products Limited
CIN: U27201KA1973PLC002307
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless stated otherwise)

Note 51: Acquisition by Ring Plus Aqua Limited:

Ring Plus Aqua Limited ("RPAL") has acquired a majority stake of 59.25% in the Company for a consideration of Rs. 68,208.51 Lakhs vide shareholder's agreement dated November 03, 2023 between the Company, Maini Family members, K Maini Motorsports Private limited, RPAL and JK Files & Engineering Limited, pursuant to which the Company has become a subsidiary of RPAL effective March 28, 2024.

Note 52: Events occurring after the reporting period

The Board of Directors of the Company have approved Composite Scheme of Arrangement between the Company, JK Files & Engineering Limited ("JKFEL"), Ring Plus Aqua Limited ("RPAL"), JKFEL Tools and Technologies Limited and New Company and Ray Global Consumer Enterprise Limited to be incorporated) ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, subject to the requisite regulatory approvals.

Signature to Note 1 to 52 above.

As per our attached report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

Arunkumar Ramdas
Partner
Membership No.: 112433

Place: Mumbai
Date: May 01, 2024

For and on behalf of Board of Directors

Gautam Maini
Managing Director
DIN: 00667616

Sandeep Kumar Maini
Director
DIN: 01568787

V Sridhar
Chief Financial Officer

Place: Bengaluru
Date: May 01, 2024

MAINI PRECISION PRODUCTS LTD. BANGALORE 560 058

MGM & Company

Chartered Accountants

Annexure IX

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Ray Global Consumer Enterprise Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Ray Global Consumer Enterprise Limited** (the Company), which comprise the Balance sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2023 and its loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

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 and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

Office No. 107-108, The Pentagon Building, Above Axis Bank, Sahakarnagar, Pune MH 411009.
020-24227497/ 29802444 info@ca-mgmco.in www.ca-mgmco.in

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility

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

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

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

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

• Obtain an understanding of internal 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 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 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.

MGM AND COMPANY ★ Chartered Accountants ★ F. R. No. 117963W PUNE

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

   e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

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, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company does not have any pending litigations which would impact its financial position.

II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

(c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances , nothing has come to our attention that cause us to believe that the representation given by the management under sub-clause (2)(h) (iv) (a) & (b) contain any material misstatement.

V. The Company has not declared or paid any dividend during the year ended 31st March 2023.

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

3. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 27/04/2023
UDIN: 23104633BGTYIR2526

"ANNEXURE A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAY GLOBAL CONSUMER ENTERPRISE LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) In our opinion and according to the information and explanations given to us, the Companyhas not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31st March, 2023. Accordingly, clause 3(ix)(e) of the Order is not applicable.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the company does not have any subsidiary or associate company as defined under the companies Act, 2013. The company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31st March, 2023. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by the company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)

a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) Based on the information and explanations given to us and as represented by the management of the Company, the group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has incurred cash losses during the current financial year and immediately preceding financial year amounting to Rs. 0.34 Lakhs and Rs. 0.29 Lakhs respectively covered under our audit.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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.

MGM AND COMPANY Chartered Accountants F. R. No. 117963W PUNE

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause xxi is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Acccountants

Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 27/04/2023
UDIN: 23104633BGTYIR2526

"ANNEXURE B" REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAY GLOBAL CONSUMER ENTERPRISE LIMITED

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

We have audited the internal financial controls over financial reporting of Ray Global Consumer Enterprise Limited ("the Company") as of 31 March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

Opinion

In our opinion, 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

MKatariya

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: 27/04/2023
UDIN: 23104633BGTYIR2526

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606

Balance Sheet as at March 31, 2023

(Amount in Rs. Lakhs)

Sr. No.	Particulars	Note	As at March 31, 2023	As at March 31, 2022
I	**ASSETS**			
1	**Current assets**			
	(a) Financial assets			
	(i) Cash and cash equivalents	2	4.98	4.98
	TOTAL ASSETS		**4.98**	**4.98**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	3	5.00	5.00
	(b) Other equity	4	(0.96)	(0.61)
2	**Liabilities**			
	(b) Deferred tax liabilities (Net)			-
	Current liabilities			
	(a) Other current liabilities	5	0.94	0.60
	TOTAL EQUITY AND LIABILITIES		**4.98**	**4.98**

As per our report of even date
For M G M and Compnay
Chartered Accountants
FRN: 117963W

M G M AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date: April 27, 2023

For and on behalf of the Board of Directors

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: April 27, 2023

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: April 27, 2023

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606

Statement of Profit and Loss for year ended March 31, 2023

(Amount in Rs. Lakhs)

Sr. No.	Particulars	Note	Year Ended March 31, 2023	Year Ended March 31, 2022
I	**INCOME**			
	Revenue from Operations		-	-
	Other Income		-	-
	Total Income (I)		-	-
II	**Expenses**			
	Other expenses	6	0.34	0.29
	Total expenses (II)		**0.34**	**0.29**
III	**Loss before tax**		**(0.34)**	**(0.29)**
IV	**Tax expense**			
	Current tax		-	
	Deferred tax		-	
	Total Tax expense		-	-
V	**Loss for the period**		**(0.34)**	**(0.29)**
VI	**Other Comprehensive Income for the year**		-	
VII	**Total Comprehensive Income for the year**		**(0.34)**	**(0.29)**
VIII	**Earnings per equity share**	7		
	Basic		**(0.68)**	**(0.59)**
	Diluted		**(0.68)**	**(0.59)**

As per our report of even date
For M G M and Compnay
Chartered Accountants
FRN: 117963W

M G M AND COMPANY ★ F. R. No. 117963W PUNE ★ Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date: April 27, 2023

For and on behalf of the Board of Directors

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: April 27, 2023

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: April 27, 2023

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606

Cash Flow Statement for the year ended on March 31, 2023

(Amount in Rs. Lakhs)

Sr. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A.	**Cash Flow arising from Operating Activities:**		
	Net Profit before Tax as per Profit and Loss Statement	(0.34)	(0.29)
	Movement in Working Capital		
	Increase in other current liabilities	0.35	0.28
	Net Cash Inflow/(Outflow) in the course of Operating Activities	**0.01**	**(0.02)**
B.	**Cash Flow arising from Investing Activities:**		
	Net Cash Inflow/(outflow) in the course of Investing Activities	-	-
C.	**Cash Flow arising from Financing Activities:**		
	Equity Share Capital received	-	-
	Net Cash Inflow/(Outflow) in the course of Financing Activities	-	-
	Net Increase (Decrease) in Cash/Cash Equivalents (A + B + C)		(0.02)
	Balance at the beginning of the year	4.98	5.00
	Cash/Cash Equivalent at the close of the year	**4.98**	**4.98**

As per our Report of even date
For M G M and Compnay
Chartered Accountants
FRN: 117963W

MGM AND COMPANY ★ F. R. No. 117963W PUNE ★ Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date: April 27, 2023

For and on behalf of the Board of Directors

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: April 27, 2023

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: April 27, 2023

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

(Amount in Rs. Lakhs)

Particulars	Amount
Balance as at April 01, 2021	**5.00**
Changes in equity share capital during the	-
Balance as at March 31, 2022	**5.00**
Changes in equity share capital during the	-
Balance as at March 31, 2023	**5.00**

B. Other Equity

(Amount in Rs. Lakhs)

Particulars	Retained Earnings	Total
Balance as at April 01, 2021	**0.32**	**0.32**
Transactions during the year		
Profit for the Year	(0.29)	(0.29)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	**(0.29)**	**(0.29)**
Balance as at March 31, 2022	**0.03**	**0.03**
Transactions during the year		
Profit for the Year	(0.34)	(0.34)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	**(0.34)**	**(0.34)**
Balance as at March 31, 2023	**(0.32)**	**(0.32)**

As per our Report of even date
For M G M and Compnay
Chartered Accountants
FRN: 117963W

M G M AND COMPANY ★ Chartered Acccountants ★ F. R. No. 117963W PUNE

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date : April 27, 2023

For and behalf of the Board

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: April 27, 2023

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: April 27, 2023

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to the Standalone financial statements for the period ended March 31, 2023

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

I. Background and Operations

Ray Global Consumer Enterprise Limited is a company limited by shares and incorporated on February 02,2021 .
The registered office of the Company is situated at Pokharan Road No 1, Jekegram, Near Cadbury Junction, Thane, Maharashtra - 400606.

II. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015], as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statement

(ii) Historical cost convention

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

(a) certain financial assets and liabilities that is measured at fair value;

(iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Since the company has been incorporated in the current year, previous year comparative figures are not avaible for presentation.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the Ind AS financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(d) Investment in subsidiary

Investment in subsidiary is recognised at cost, less impairment, as per Ind AS -27.

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

Notes to the Standalone financial statements for the period ended March 31, 2023

(e) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.
There are no contingent liabilities of the company during the current year.

A contingent asset is disclosed in respect of possible asset that arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

(f) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

III. Critical estimates and judgements

There are no critical estimates involved in the preparation of financial statements for the year ended March 31, 2023.

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2023

Note 2 - Financial Assets - Cash and cash equivalents

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents		
Balance with bank - in current account	4.98	4.98
	4.98	**4.98**

Note 3 - Equity Share capital

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
50,000 Nos Equity Shares of Rs. 10 each	5.00	5.00
Issued, subscribed and fully paid up		
50,000 Nos Equity Shares of Rs. 10 each	5.00	5.00
	5.00	**5.00**

a) Reconciliation of number of shares

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	50,000	5.00	50,000	5.00
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance as at the end of the year	**50,000**	**5.00**	**50,000**	**5.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has only one class of equity shares having a par value of Re. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shares held by shareholders holding more than 5% of the aggregare shares in the Company

Name of Shareholders	% Holdings	As at March 31, 2023	% Holdings	As at March 31, 2022
Ray Global Consumer Products Limited	100%	50,000	100%	50,000

d) Details of equity shares held by promoters in the Company

Name of Shareholders	% Holdings	As at March 31, 2023	% Holdings	As at March 31, 2022
Ray Global Consumer Products Limited	100%	50,000	100%	50,000

MGM AND COMPANY ★ Chartered Accountants ★ F. R. No. 117963W PUNE

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2023

Note 4 - Other equity

(Amount in Rs. Lakhs)

Particulars	Retained Earnings	Total
Balance as at 1st April, 2021	**(0.32)**	**(0.32)**
Transactions during the year		
Profit for the Year	(0.29)	(0.29)
Other Comprehensive Income for the year		
Total Comprehensive Income for the year	(0.29)	(0.29)
Balance as at 31st March, 2022	**(0.61)**	**(0.61)**
Transactions during the year		
Profit for the Year	(0.34)	(0.34)
Other Comprehensive Income for the year		
Total Comprehensive Income for the year	(0.34)	(0.34)
Balance as at 31st December, 2022	**(0.96)**	**(0.96)**

Note 5 - Other Current Liabilities

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Sundry creditors for expenses	-	0.13
Other Payable	0.67	0.30
Audit Fees Payable	0.27	0.17
	0.94	**0.60**

Note 6 - Other Expenses

(Amount in Rs. Lakhs)

Particulars	Year Ended March 31, 2023	Year ended March 31, 2022
Bank Charges	0.00	0.02
Rates & Taxes	0.03	0.06
Professional Fees	0.21	0.13
Auditor's Remuneration	0.10	0.09
	0.34	**0.29**

Note 7 - Earning per Share

Particulars	Year Ended March 31, 2023	Year ended March 31, 2022
Profit for the year	(0.34)	(0.29)
Weighted Average number of equity shares outstanding	50,000	50,000
Basic Earning per Share	**(0.68)**	**(0.59)**
Diluted Earning per Share	**(0.68)**	**(0.59)**

MGM AND COMPANY ★ F. R. No. 117963W PUNE ★ Chartered Accountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2023

Note 8 - Related parties where control exists :

(A) List of the related parties

(a) Ultimate Holding Company
Ray Global Consumer Trading Limited

(b) Holding Company
Ray Global Consumer Products Limited

(c) Sister Concern
Raymond Consumer Care Limited

(d) Key Management Personnel
(i) Mr. K. A. Narayan
(ii) Mr. Ashish Aggarwal
(iii) Mr. Vijay Patil

(B) During the period, the following transactions were carried out with related parties:

(Amount in Rs. Lakhs)

	Particulars	March 31, 2023	March 31, 2022
1	**Transactions carried out with the related parties referred in (A) above, in ordinary course of business:**		
	Expenses:		
	Reimbursement of Expenses to		
	Raymond Consumer Care Limited	0.41	0.23
2	**Payable to related parties referred in (2) above**		
	Other Current Financial Liability		
	Raymond Consumer Care Limited	0.67	0.23

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Acccountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2023

Note 9 - Analytical Ratios

Sr. No.	Particulars	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022	Variance
1	Current Ratio ^	Current Assets	Current Liabilities	5.27	8.37	37.03%
2	Return on Equity Ratio ^^	Net Profit after tax	Shareholders' Equity	-8.45%	-6.72%	-25.80%
3	Return on Capital Employed ^^	EBIT	Capital Employed #	-8.45%	-6.72%	-25.80%

* Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss sale of fixed asset etc.
# Tangible Net Worth + Total Debt + Deferred Tax Liability

^ The variation is due to increase in current liabilities in the current year.
^^ The variation is due to higher losses in the current year.

Note 10 - Contingent Liabilities and Capital Commitment

There are no Contingent Liabilities and Capital Commitments as at March 31, 2023 (PY - NIL)

M G M AND COMPANY ★ Chartered Accountants ★ F. R. No. 117963W PUNE

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606

Notes to financial statements for the year ended March 31, 2023

Note 11 - Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets
The Company does not have any borrowings against current assets.

(iii) Willful defaulter
The company has not been declared as a willful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Valuation of Property, plant and equipment and intangible asset
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(vii) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Note 12 : The Financial Statements were authorised for issue by the boards of directors on April 27, 2023.

As per our report of even date

For M G M and Company
Chartered Accountants
FRN: 117963W

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Pune
Date: April 27, 2023

For and on behalf of the Board

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: April 27, 2023

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: April 27, 2023

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Ray Global Consumer Enterprise Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Ray Global Consumer Enterprise Limited** (the Company), which comprise the Balance sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and its profit (Including Comprehensive Income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained in sufficient and appropriate to provide a basis for our opinion.

MGM AND COMPANY ★ F. R. No. 117963W PUNE ★ Chartered Accountants

Office No. 107-108, The Pentagon Building, Above Axis Bank, Sahakarnagar, Pune MH 411009.
020-24227497/ 29802444 info@ca-mgmco.in www.ca-mgmco.in

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 and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

Auditors' Responsibility

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

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

• Obtain an understanding of internal 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 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.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

MGM AND COMPANY
F. R. No.
117963W
PUNE
Chartered Accountants

d) In our opinion, the financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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, in our opinion and to the best of our information and according to the explanations given to us:

I. The Company does not have any pending litigations which would impact its financial position.

II. The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.

III. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

IV.

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

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

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

c. Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under sub-clause (2)(h) (iv) (a) & (b) contain any material misstatement.

V. The Company has not declared or paid any dividend during the year ended 31st March 2024.

VI. In view of the recent compliance requirements, the Company has migrated to manual books of accounts entirely. Accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable to the Company.

3. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

MGM AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633

Place: Mumbai
Date: 29/04/2024
UDIN: 24104633BKCGCN6326

"ANNEXURE A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAY GLOBAL CONSUMER ENTERPRISE LIMITED

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

(i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any property, plant and equipment or intangible assets or right of use assets or investment property and accordingly, reporting under clause 3(i) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as the Order) is not applicable to the Company.

(ii)

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no inventories held in the name of the Company. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.

b) The company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year, in aggregate, from banks or financial institutions. Accordingly, paragraph 3(ii)(b) of the order is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) of the order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 of the Act and the company has not made investment hence, provision of Section 186 of the Act is not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company.

MGM AND COMPANY
F R No. 117963W
PUNE
Chartered Accountants

(vi) According to the information and explanations given to us, the Central Government under sub-section (1) of Section 148 of the Act has not prescribed maintenance of cost records in respect of the activities carried out by the company.

(vii)

a) According to the information and explanations given to us and on the basis of our examination, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax and other material statutory dues as applicable to the Company with the appropriate authorities.

No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable:

b) According to the records of the Company, there are no dues of Income Tax, Goods and Service tax which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination, there is no unrecorded transaction which have been surrendered and disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix)

a) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year. Accordingly, reporting under clause 3(ix)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c) According to the information and explanations given to us, the Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) In our opinion and according to the information and explanations given to us, the Company has not taken any short term loan. Hence reporting under clause 3(ix)(d) of the Order is not applicable.

MGM AND COMPANY
F R No 117963W
PUNE
Chartered Accountants

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 explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

a) According to the information and explanations given to us and on the basis of our examination, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi)

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us, no whistle blower complains were received by the company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to appoint internal auditors as per the act and rules made thereunder. Accordingly, reporting under clause 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi)

a) To the best of our knowledge and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 3 CICs which are not required to register with Reserve Bank of India.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred cash losses of Rs. 0.09 lacs in the financial year and Rs. 0.34 lacs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly this clause is not applicable.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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) According to the information and explanations given to us and based on our examination of the records of the Company, The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause xxi is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

MGM AND COMPANY ★ Chartered Accountants ★ F. R. No. 117963W PUNE

CA Mangesh Katariya
Partner
Membership No. 104633

Place: Mumbai
Date: 29/04/2024
UDIN: 24104633BKCGCN6326

"ANNEXURE B" REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAY GLOBAL CONSUMER ENTERPRISE LIMITED

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

We have audited the internal financial controls over financial reporting of Ray Global Consumer Enterprise Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Opinion

In our opinion, 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MGM and Company
Chartered Accountants
Firm Registration No. 0117963W

Place: Mumbai
Date: 29/04/2024
UDIN: 24104633BKCGCN6326

CA Mangesh Katariya
Partner
Membership No. 104633

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Balance Sheet as at March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Sr. No.	Particulars	Note	As at March 31, 2024	As at March 31, 2023
I	**ASSETS**			
1	**Current assets**			
	(a) Financial assets			
	(i) Cash and cash equivalents	2	4.98	4.98
	TOTAL ASSETS		**4.98**	**4.98**
II	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity share capital	3	5.00	5.00
	(b) Other equity	4	(1.05)	(0.96)
2	**Liabilities**			
	(b) Deferred tax liabilities (Net)			
	Current liabilities			
	(a) Other current liabilities	5	1.03	0.94
	TOTAL EQUITY AND LIABILITIES		**4.98**	**4.98**

Significant Accounting Policies	1	
The accompanying notes are an integral part of the Financial	1-12	

As per our report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

M G M AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Mumbai
Date: 29/04/2024

For and on behalf of the Board of Directors

Ashish Aggarwal	**Vijay Patil**
Director	Director
DIN: 09231011	DIN: 07173161
Place: Mumbai	Place: Mumbai
Date: 29/04/2024	Date: 29/04/2024

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Statement of Profit and Loss for year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Sr. No.	Particulars	Note	Year Ended March 31, 2024	Year Ended March 31, 2023
I	**INCOME**			
	Revenue from Operations		-	-
	Other Income		-	-
	Total Income (I)		-	-
II	**Expenses**			
	Other expenses	6	0.09	0.34
	Total expenses (II)		**0.09**	**0.34**
III	**Loss before tax**		**(0.09)**	**(0.34)**
IV	**Tax expense**			
	Current tax		-	-
	Deferred tax		-	-
	Total Tax expense		-	-
V	**Loss for the period**		**(0.09)**	**(0.34)**
VI	**Other Comprehensive Income for the year**		-	-
VII	**Total Comprehensive Income for the year**		**(0.09)**	**(0.34)**
VIII	**Earnings per equity share**	7		
	Basic		**(0.19)**	**(0.68)**
	Diluted		**(0.19)**	**(0.68)**
Significant Accounting Policies		1		
The accompanying notes are an integral part of the Financial Statements		1-12		

As per our report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

M G M AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

For and on behalf of the Board of Directors

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Mumbai
Date: 29/04/2024

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 29/04/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 29/04/2024

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Cash Flow Statement for the year ended on March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Sr. No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A.	**Cash Flow arising from Operating Activities:**		
	Net Profit before Tax as per Profit and Loss Statement	(0.09)	(0.34)
	Movement in Working Capital		
	Increase in other current liabilities	0.09	0.34
	Net Cash Inflow/(Outflow) in the course of Operating Activities	-	**0.00**
B.	**Cash Flow arising from Investing Activities:**		
	Net Cash Inflow/(outflow) in the course of Investing Activities	-	-
C.	**Cash Flow arising from Financing Activities:**		
	Equity Share Capital received	-	-
	Net Cash Inflow/(Outflow) in the course of Financing Activities	-	-
	Net Increase (Decrease) in Cash/Cash Equivalents (A + B + C)		
	Balance at the beginning of the year	4.98	4.98
	Cash/Cash Equivalent at the close of the year	**4.98**	**4.98**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
Significant Accounting Policies
The accompanying notes are an integral part of the Financial Statements

As per our Report of even date attached
For M G M and Compnay
Chartered Accountants
FRN: 117963W

M G M AND COMPANY
F. R No. 117963W
PUNE
Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Mumbai
Date: 29/04/2024

For and on behalf of the Board of Directors

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 29/04/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 29/04/2024

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Statement of Changes in Equity for the year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

A. Equity Share Capital

Particulars	Amount
Balance as at April 01, 2022	**5.00**
Changes in equity share capital during the year	-
Balance as at March 31, 2023	**5.00**
Changes in equity share capital during the year	-
Balance as at March 31, 2024	**5.00**

B. Other Equity -

Particulars	Retained Earnings	Total
Balance as at April 01, 2022	**(0.61)**	**(0.61)**
Transactions during the year		
Profit for the Year	(0.34)	(0.34)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	**(0.34)**	**(0.34)**
Balance as at March 31, 2023	**(0.96)**	**(0.96)**
Transactions during the year		
Profit for the Year	(0.09)	(0.09)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	**(0.09)**	**(0.09)**
Balance as at March 31, 2024	**(1.05)**	**(1.05)**

Significant Accounting Policies
The accompanying notes are an integral part of the Financial Statements

As per our Report of even date
For M G M and Compnay
Chartered Accountants
FRN: 117963W

For and behalf of the Board

M G M AND COMPANY F. R. No. 117963W PUNE Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Mumbai
Date: 29/04/2024

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 29/04/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 29/04/2024

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to the Standalone financial statements for the period ended March 31, 2024

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

I. Background and Operations

Ray Global Consumer Enterprise Limited is a company limited by shares and incorporated on February 02,2021 .
The registered office of the Company is situated at Pokharan Road No 1, Jekegram, Near Cadbury Junction, Thane, Maharashtra - 400606.

II. Significant accounting policies

(a) Basis of preparation of Financial Statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting standards) Rules, 2015], as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statement

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:
(a) certain financial assets and liabilities that is measured at fair value;

(iv) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(v) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the Ind AS financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

(d) Investment in subsidiary

Investment in subsidiary is recognised at cost, less impairment, as per Ind AS -27.

(e) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.
There are no contingent liabilities of the company during the current year.

A contingent asset is disclosed in respect of possible asset that arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

(f) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related defer income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

III. Critical estimates and judgements

There are no critical estimates involved in the preparation of financial statements for the year ended March 31, 2024.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Note 2 - Financial Assets - Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balance with bank - in current account	4.98	4.98
	4.98	**4.98**

Note 3 - Equity Share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
50,000 Nos Equity Shares of Rs. 10 each	5.00	5.00
Issued, subscribed and fully paid up		
50,000 Nos Equity Shares of Rs. 10 each	5.00	5.00
	5.00	**5.00**

a) Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity Shares :				
Balance as at the beginning of the year	50,000.00	5.00	50,000.00	5.00
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance as at the end of the year	**50,000.00**	**5.00**	**50,000.00**	**5.00**

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has only one class of equity shares having a par value of Re. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shares held by shareholders holding more than 5% of the aggregare shares in the Company

Name of Shareholders	% Holdings	As at March 31, 2024	% Holdings	As at March 31, 2023
Ray Global Consumer Products Limited	100%	50,000.00	100%	50,000.00

d) Details of equity shares held by promoters in the Company

Name of Shareholders	% Holdings	As at March 31, 2024	% Holdings	As at March 31, 2023
Ray Global Consumer Products Limited	100%	50,000.00	100%	50,000.00

e) Details of equity shares held by Holding Company

Name of Shareholders	% Holdings	As at March 31, 2024	% Holdings	As at March 31, 2023
Ray Global Consumer Products Limited	100%	50,000.00	100%	50,000.00

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Note 4 - Other equity

Particulars	Retained Earnings	Total
Balance as at 1st April, 2022	**(0.61)**	**(0.61)**
Transactions during the year		
Profit for the Year	(0.34)	(0.34)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(0.34)	(0.34)
Balance as at 31st March, 2023	**(0.96)**	**(0.96)**
Transactions during the year		
Profit for the Year	(0.09)	(0.09)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(0.09)	(0.09)
Balance as at 31st March, 2024	**(1.05)**	**(1.05)**

Note 5 - Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Payable to related party	0.83	0.67
Audit Fees Payable	0.20	0.27
	1.03	**0.94**

Note 6 - Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Rates & Taxes*	0.00	0.03
Professional Fees	-	0.21
Auditor's Remuneration	0.09	0.10
	0.09	**0.34**

** Figures are below rounding off norms adopted by the Company*

Note 7 - Earning per Share

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit for the year	(0.09)	(0.34)
Weighted Average number of equity shares outstanding	50,000	50,000
Basic Earning per Share	**(0.19)**	**(0.68)**
Diluted Earning per Share	**(0.19)**	**(0.68)**

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Note 8 - Related parties where control exists :

(A) Identification of Related Parties

(a) Ultimate Holding Company
Ray Global Consumer Trading Limited

(b) Holding Company
Ray Global Consumer Products Limited

(c) Sister Concern
Raymond Consumer Care Limited

(d) Key Management Personnel

(i) Mr. K. A. Narayan	Director
(ii) Mr. Ashish Aggarwal	Director
(iii) Mr. Vijay Patil	Director

(B) During the period, the following transactions were carried out with related parties:

	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(1)	**Transactions carried out with the related parties referred in (1) above, in ordinary course of business:** **Expenses:** **Reimbursement of Expenses to** Raymond Consumer Care Limited	0.16	0.41

(C) Closing Balances as the end of the year:

	Particulars	As at March 31, 2024	As at March 31, 2023
	Other Payables Raymond Consumer Care Limited	0.83	0.67

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Note 9 - Analytical Ratios

Sr. No.	Particulars	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	Variance
1	Current Ratio ^	Current Assets	Current Liabilities	4.83	5.30	8.97%
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service *	Principal + Interest & Lease payment	-	-	-
2	Return on Equity Ratio ^^	Net Profit after tax	Shareholders' Equity	-2.34%	-8.39%	72.07%
5	Inventory turnover Ratio	Net Sales	Average Inventory	-	-	-
6	Trade Receivables turnover Ratio	Net Credit Sales	Average Account receivables	-	-	-
7	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	-	-	-
8	Net capital turnover Ratio	Net Sales	Working Capital	-	-	-
9	Net profit Ratio	Net Profit	Net Sales	-	-	-
3	Return on Capital Employed ^^	EBIT	Capital Employed #	-2.34%	-8.39%	72.07%

The calculation of above ratios are in accordance with the formulas prescribed by Guidance Note of Schedule III issued by the Institute of Chartered Accountants of India.
* Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss sale of fixed asset etc.
# Tangible Net Worth + Total Debt + Deferred Tax Liability

^ The variation is due to increase in current liabilities in the current year.
^^ The variation is due to reduction in losses in the current year.

M G M AND COMPANY ★ Chartered Accountants ★ F. R. No. 117963W PUNE

Ray Global Consumer Enterprise Limited
Pokharan Road No- 1, Jekegram, Near Cadbury Junction, Thane - 400606
CIN: U52520MH2021PLC354360

Notes to financial statements for the year ended March 31, 2024
(Amounts in rupees lakhs unless otherwise stated)

Note 10 - Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets
The company does not have cash credit facilities from banks.

(iii) Willful defaulter
The company has not been declared as a willful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Valuation of Property, plant and equipment and intangible asset
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
(vii) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds to any person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

MGM AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the

Note 11 : The previous year figures have been regrouped/reclassified, whenever necessary, to confirm to current year's classification. Such

Note 12 : The Financial Statements were authorised for issue by the boards of directors

---

As per our report of even date attached
For M G M and Company
Chartered Accountants
FRN: 117963W

M G M AND COMPANY
F. R. No. 117963W
PUNE
Chartered Accountants

CA Mangesh Katariya
Partner
Membership No. 104633
Place: Mumbai
Date: 29/04/2024

For and on behalf of the Board

Ashish Aggarwal
Director
DIN: 09231011
Place: Mumbai
Date: 29/04/2024

Vijay Patil
Director
DIN: 07173161
Place: Mumbai
Date: 29/04/2024

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF JK FILES & ENGINEERING LIMITED ('THE COMPANY') AT THEIR MEETING HELD ON THURSDAY, MAY 2, 2024 AT 2:15 PM AT JK HOUSE, 59A, BHULABHAI DESAI ROAD, MUMBAI- 400026 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

1. BACKGROUND

1.1 Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution) of the Company at its meeting held on May 2, 2024 with a view to consolidate the engineering business of Raymond Group in a single entity i.e., JKFEL Tools And Technologies Limited ('JKTTL'), a wholly owned subsidiary of Raymond Limited and segregation of the aerospace business of JKTTL in a separate entity i.e., Ray Global Consumer Enterprise Limited ('RGCEL'), a group company of Raymond Limited, have approved the draft Composite Scheme of Arrangement between JK Files & Engineering Limited ('JFEL' or the 'Demerged Company 1') and JKFEL Tools And Technologies Limited ('JKTTL' or the 'Resulting Company 1' or the 'Transferee Company' or the 'Demerged Company 2') and Ray Global Consumer Enterprise Limited ('RGCEL' or the 'Resulting Company 2') and Ring Plus Aqua Limited ('RPAL' or the 'Transferor Company 1') and Maini Precision Products Limited ('MPPL' or the 'Transferor Company 2') and their respective shareholders and reduction and cancellation of the existing paid up redeemable preference share capital of JFEL and existing paid up equity share capital of JKTTL and RGCEL ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

1.2 As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel ('KMPs'), creditors, employees and directors, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting if ordered by the jurisdictional National Company Law Tribunal ('NCLT').

1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4 The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL, into JKTTL and the consequent issuance of New Equity Shares 1 by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of

JK FILES & ENGINEERING LIMITED

immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 and New CCPS 2 to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up equity share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 and New CCPS 4 to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up equity share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3").

1.5 Appointed Date for the Scheme is April 1, 2024.

1.6 Pursuant to the Scheme, on Demerger 1, JKTTL shall issue its equity shares to the shareholders of JFEL in the proportion of their holding in JFEL, on Amalgamation, JKTTL shall issue its equity shares to the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL) in the proportion of their holding in RPAL and MPPL and on Demerger 2 RGCEL will issue shares to the shareholders of JKTTL in the proportion of their holding in JKTTL.

1.7 The following documents were, inter alia, placed before the Board:

a) Draft Composite Scheme of Arrangement;
b) Report explaining effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel, creditors, employees and directors;
c) Valuation report of KPMG Valuation Services LLP Registered Valuers dated May 1, 2024 for recommendation on the Share Exchange Ratio;
d) Certificate dated May 2, 2024 issued by the Statutory Auditors of JFEL i.e., M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants, to the effect that the

JK FILES & ENGINEERING LIMITED

Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013;

e) Last 3 years audited financials of JFEL, RPAL, RGCEL and MPPL;

f) Provisional financials of JKTTL; and

g) Audit Committee Report for the Scheme.

2. VALUATION REPORT – SHARE EXCHANGE RATIO

2.1 For the purpose of demerger of Engineering Business Undertaking of JFEL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1").

In the event that the New Equity Shares 1 to be issued result in fractional entitlement, the Board of JKTTL shall round off such fractional entitlements to the nearest integer.

2.2 For the purpose of amalgamation of RPAL and MPPL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

On amalgamation of RPAL into JKTTL
"Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

In the event that the New Equity Shares 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 1 (other than itself), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

On amalgamation of MPPL into JKTTL
"One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"One Lakh Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

JK FILES & ENGINEERING LIMITED

"One Lakh Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

In the event that the New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 2 [other than RPAL (which shall stand dissolved)], the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

2.3 For the purpose of demerger of Aerospace Business Undertaking of JKTTL into RGCEL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity share of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

"One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up."

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

In the event that the New Equity Shares 4, New CCPS 3 and New CCPS 4 to be issued result in fractional entitlement to the shareholders of Demerged Company 2, the Board of Resulting Company 2 shall round off such fractional entitlements to the nearest integer.

3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

3.1 <u>Effect on Shareholders (Promoters and Non-Promoter Shareholders)</u>
Scheme provides for issue and allotment of Equity Shares on a proportionate basis to each member of JFEL or to their else, executors, administrators, other legal representatives or the successor entitled, as the case may be, whose name appear in the Register of Members as on the Record Date as per the Share Exchange Ratio.

The post Scheme promoter group shareholding in JFEL will not change pursuant to the Scheme.

JK FILES & ENGINEERING LIMITED

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2.

3.2 Effect on the KMPs and Director

JFEL is not expecting any change in the KMPs and Directors in pursuance of the Scheme becoming effective.

KMPs and Directors of JFEL and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in JFEL (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in JFEL, as applicable.

3.3 Effect on the creditors

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of JFEL. No compromise is offered under the Scheme to any of the creditors of JFEL. The liability of JFEL towards the creditors of JFEL, under the Scheme, is neither being reduced nor being extinguished.

3.4 Effect on staff or employees

Under the Scheme, no rights of the staff and employees of JFEL are being affected. The services of the staff and employees of JFEL shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

4. CONCLUSION

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees of JFEL and there shall be no prejudice caused to them in any manner by the Scheme.

FOR AND ON BEHALF OF THE BOARD OF
JK FILES & ENGINEERING LIMITED

JK FILES & ENGINEERING LIMITED

V. BALASUBRAMANIAN
MANAGING DIRECTOR
DIN: 05222476

PLACE: MUMBAI
DATE: MAY 2, 2024

JKFEL TOOLS AND TECHNOLOGIES LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF JKFEL TOOLS AND TECHNOLOGIES LIMITED ('THE COMPANY') AT THEIR MEETING HELD ON THURSDAY, MAY 2, 2024 AT 6:30 PM AT JK HOUSE, 59A, BHULABHAI DESAI ROAD, MUMBAI- 400026 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

1. BACKGROUND

1.1 Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution) of the Company at its meeting held on May 2, 2024 with a view to consolidate the engineering business of Raymond Group in a single entity i.e., JKFEL Tools And Technologies Limited ('JKTTL'), a wholly owned subsidiary of Raymond Limited and segregation of the aerospace business of JKTTL in a separate entity i.e., Ray Global Consumer Enterprise Limited ('RGCEL'), a group company of Raymond Limited, have approved the draft Composite Scheme of Arrangement between JK Files & Engineering Limited ('JFEL' or the 'Demerged Company 1') and JKFEL Tools And Technologies Limited ('JKTTL' or the 'Resulting Company 1' or the 'Transferee Company' or the 'Demerged Company 2') and Ray Global Consumer Enterprise Limited ('RGCEL' or the 'Resulting Company 2') and Ring Plus Aqua Limited ('RPAL' or the 'Transferor Company 1') and Maini Precision Products Limited ('MPPL' or the 'Transferor Company 2') and their respective shareholders and reduction and cancellation of the existing paid up redeemable preference share capital of JFEL and existing paid up equity share capital of JKTTL and RGCEL ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

1.2 As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel ('KMPs'), creditors, employees and directors, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting if ordered by the jurisdictional National Company Law Tribunal ('NCLT').

1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4 The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL, into JKTTL and the consequent issuance of New Equity Shares 1 by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 and New CCPS 2 to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up equity share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 and New CCPS 4 to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up equity share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3").

1.5 Appointed Date for the Scheme is April 1, 2024.

1.6 Pursuant to the Scheme, on Demerger 1, JKTTL shall issue its equity shares to the shareholders of JFEL in the proportion of their holding in JFEL, on Amalgamation, JKTTL shall issue its equity shares to the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL) in the proportion of their holding in RPAL and MPPL and on Demerger 2 RGCEL will issue shares to the shareholders of JKTTL in the proportion of their holding in JKTTL.

1.7 The following documents were, inter alia, placed before the Board:

a) Draft Composite Scheme of Arrangement;
b) Report explaining effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel, creditors, employees and directors;
c) Valuation report of KPMG Valuation Services LLP Registered Valuers dated May 1, 2024 for recommendation on the Share Exchange Ratio;
d) Certificate dated May 2, 2024 issued by the Statutory Auditors of JKTTL i.e., M G M and Company, Chartered Accountants, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013;
e) Last 3 years audited financials of JFEL, RPAL, RGCEL and MPPL; and
f) Provisional financials of JKTTL.

JKFEL TOOLS AND TECHNOLOGIES LIMITED

2. **VALUATION REPORT – SHARE EXCHANGE RATIO**

2.1 For the purpose of demerger of Engineering Business Undertaking of JFEL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1").

In the event that the New Equity Shares 1 to be issued result in fractional entitlement, the Board of JKTTL shall round off such fractional entitlements to the nearest integer.

2.2 For the purpose of amalgamation of RPAL and MPPL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

On amalgamation of RPAL into JKTTL

"Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

In the event that the New Equity Shares 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 1 (other than itself), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

On amalgamation of MPPL into JKTTL

"One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"One Lakh Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

"One Lakh Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

JKFEL TOOLS AND TECHNOLOGIES LIMITED

In the event that the New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 2 [other than RPAL (which shall stand dissolved)], the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

2.3 For the purpose of demerger of Aerospace Business Undertaking of JKTTL into RGCEL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity shares of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

"One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up."

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

In the event that the New Equity Shares 4, New CCPS 3 and New CCPS 4 to be issued result in fractional entitlement to the shareholders of Demerged Company 2, the Board of Resulting Company 2 shall round off such fractional entitlements to the nearest integer.

3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

3.1 Effect on Shareholders (Promoters and Non-Promoter Shareholders)
Scheme provides for issue and allotment of Equity Shares on a proportionate basis to each member of JKTTL or to their else, executors, administrators, other legal representatives or the successor entitled, as the case may be, whose name appear in the Register of Members as on the Record Date as per the Share Exchange Ratio.

Upon the Scheme coming into effect, existing equity shares held by RL representing 100% of the total paid up capital of JKTTL shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be

JKFEL TOOLS AND TECHNOLOGIES LIMITED

borne by the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2.

3.2 Effect on the KMPs and Director

JKTTL is not expecting any change in the KMPs and Directors in pursuance of the Scheme becoming effective.

KMPs and Directors of JKTTL and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in JKTTL (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in JKTTL, as applicable.

3.3 Effect on the creditors

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of JKTTL. No compromise is offered under the Scheme to any of the creditors of JKTTL. The liability of JKTTL towards the creditors of JKTTL, under the Scheme, is neither being reduced nor being extinguished.

3.4 Effect on staff or employees

Under the Scheme, no rights of the staff and employees of JKTTL are being affected. The services of the staff and employees of the Engineering Business Undertaking of JKTTL shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

4. CONCLUSION

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees of JKTTL and there shall be no prejudice caused to them in any manner by the Scheme.

FOR AND ON BEHALF OF THE BOARD OF
JKFEL TOOLS AND TECHNOLOGIES LIMITED

Ashish

ASHISH AGGARWAL
CHAIRMAN OF THE MEETING
(NON-EXECUTIVE DIRECTOR)
DIN: 09231011

JKFEL TOOLS AND TECHNOLOGIES LIMITED

PLACE: MUMBAI
DATE: MAY 2, 2024

RING AQUA
A Raymond Group of Company

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF RING PLUS AQUA LIMITED ('THE COMPANY') AT THEIR MEETING HELD ON THURSDAY, MAY 2, 2024 AT 11:30 AM AT JK HOUSE, 59A, BHULABHAI DESAI ROAD, MUMBAI- 400026 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

1. BACKGROUND

1.1 Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution) of the Company at its meeting held on May 2, 2024 with a view to consolidate the engineering business of Raymond Group in a single entity i.e., JKFEL Tools And Technologies Limited ('JKTTL'), a wholly owned subsidiary of Raymond Limited and segregation of the aerospace business of JKTTL in a separate entity i.e., Ray Global Consumer Enterprise Limited ('RGCEL'), a group company of Raymond Limited, have approved the draft Composite Scheme of Arrangement between JK Files & Engineering Limited ('JFEL' or the 'Demerged Company 1') and JKFEL Tools And Technologies Limited ('JKTTL' or the 'Resulting Company 1' or the 'Transferee Company' or the 'Demerged Company 2') and Ray Global Consumer Enterprise Limited ('RGCEL' or the 'Resulting Company 2') and Ring Plus Aqua Limited ('RPAL' or the 'Transferor Company 1') and Maini Precision Products Limited ('MPPL' or the 'Transferor Company 2') and their respective shareholders and reduction and cancellation of the existing paid up redeemable preference share capital of JFEL and existing paid up equity share capital of JKTTL and RGCEL ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

1.2 As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel ('KMPs'), creditors, employees and directors, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting if ordered by the jurisdictional National Company Law Tribunal ('NCLT').

1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4 The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL, into JKTTL and the consequent issuance of New Equity

RING PLUS AQUA LIMITED

RING PLUS AQUA LTD.
CIN : U99999MH1986PLC040885

Registered Office & Gear Division :
D-3/4, STICE, Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228009

Bearing Division :
A - 16/17, STICEm Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228010

Head Office :
2nd Floor, J. K. Files (I) Ltd. Annex Building,
Jekegram, Pokhran Road No. 1,
Thane - 400 606, M.S., (India)
Tel. : +91-22-61527000, Fax : +91-22-61527670

www.ringplusaqua.com

Shares 1 by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 and New CCPS 2 to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up equity share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 and New CCPS 4 to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up equity share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3").

1.5 Appointed Date for the Scheme is April 1, 2024.

1.6 Pursuant to the Scheme, on Demerger 1, JKTTL shall issue its equity shares to the shareholders of JFEL in the proportion of their holding in JFEL, on Amalgamation, JKTTL shall issue its equity shares to the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and

RING PLUS AQUA LIMITED

RING PLUS AQUA LTD.
CIN : U99999MH1986PLC040885

Registered Office & Gear Division :
D-3/4, STICE, Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228009

Bearing Division :
A - 16/17, STICEm Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228010

Head Office :
2nd Floor, J. K. Files (I) Ltd. Annex Building,
Jekegram, Pokhran Road No. 1,
Thane - 400 606, M.S., (India)
Tel. : +91-22-61527000, Fax : +91-22-61527670

www.ringplusaqua.com

JKTTL) in the proportion of their holding in RPAL and MPPL and on Demerger 2 RGCEL will issue shares to the shareholders of JKTTL in the proportion of their holding in JKTTL.

1.7 The following documents were, inter alia, placed before the Board:

a) Draft Composite Scheme of Arrangement;

b) Report explaining effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel, creditors, employees and directors;

c) Valuation report of KPMG Valuation Services LLP Registered Valuers dated May 1, 2024 for recommendation on the Share Exchange Ratio;

d) Last 3 years audited financials of JFEL, RPAL, RGCEL and MPPL;

e) Provisional financials of JKTTL; and

f) Audit Committee Report for the Scheme.

2. **VALUATION REPORT – SHARE EXCHANGE RATIO**

2.1 For the purpose of demerger of Engineering Business Undertaking of JFEL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1").

In the event that the New Equity Shares 1 to be issued result in fractional entitlement, the Board of JKTTL shall round off such fractional entitlements to the nearest integer.

2.2 For the purpose of amalgamation of RPAL and MPPL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

On amalgamation of RPAL into JKTTL

"Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

RING PLUS AQUA LIMITED

In the event that the New Equity Shares 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 1 (other than itself), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

On amalgamation of MPPL into JKTTL
"One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"One Lakh Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

"One Lakh Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

In the event that the New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 2 [other than RPAL (which shall stand dissolved)], the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

2.3 For the purpose of demerger of Aerospace Business Undertaking of JKTTL into RGCEL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity share of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

RING PLUS AQUA LIMITED

"One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up."

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

In the event that the New Equity Shares 4, New CCPS 3 and New CCPS 4 to be issued result in fractional entitlement to the shareholders of Demerged Company 2, the Board of Resulting Company 2 shall round off such fractional entitlements to the nearest integer.

3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

3.1 Effect on Shareholders (Promoters and Non-Promoter Shareholders)
Scheme provides for issue and allotment of Equity Shares on a proportionate basis to each member of RPAL or to their else, executors, administrators, other legal representatives or the successor entitled, as the case may be, whose name appear in the Register of Members as on the Record Date as per the Share Exchange Ratio.

Upon the Scheme coming into effect and upon transfer and vesting of assets and liabilities to JKTTL, RPAL shall stand dissolved, without being wound up.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2.

3.2 Effect on the KMPs and Director
Existing KMPs/ Directors of RPAL shall cease to be the KMPs/ Directors of RPAL upon the Scheme becoming effective as RPAL shall cease to exist.

RING PLUS AQUA LIMITED

Registered Office & Gear Division :
D-3/4, STICE, Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228009

Bearing Division :
A - 16/17, STICEm Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228010

Head Office :
2nd Floor, J. K. Files (I) Ltd. Annex Building,
Jekegram, Pokhran Road No. 1,
Thane - 400 606, M.S., (India)
Tel. : +91-22-61527000, Fax : +91-22-61527670

www.ringplusaqua.com

KMPs and Directors of RPAL and their respective relatives may be deemed to be concerned and/ or interested in the Scheme only to the extent of their shareholding in RPAL (if any), or to the extent the said KMPs/ Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in RPAL, as applicable.

3.3 Effect on the creditors

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of RPAL. No compromise is offered under the Scheme to any of the creditors of RPAL. The liability of RPAL towards the creditors of RPAL, under the Scheme, is neither being reduced nor being extinguished.

3.4 Effect on staff or employees

Under the Scheme, no rights of the staff and employees of RPAL are being affected. The services of the staff and employees of RPAL shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

4. CONCLUSION

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees of RPAL and there shall be no prejudice caused to them in any manner by the Scheme.

FOR AND ON BEHALF OF THE BOARD OF
RING PLUS AQUA LIMITED

RING PLUS AQUA LIMITED

V. BALASUBRAMANIAN
NON-EXECUTIVE DIRECTOR
DIN: 05222476

PLACE: MUMBAI
DATE: MAY 2, 2024

RING PLUS AQUA LTD.
CIN : U99999MH1986PLC040885

Registered Office & Gear Division :
D-3/4, STICE, Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228009

Bearing Division :
A - 16/17, STICEm Sinnar-Shirdi Road,
Musalgaon, Sinnar,
Nashik 422 112, M.S., (India)
Tel. : +91-2551-228010

Head Office :
2nd Floor, J. K. Files (I) Ltd. Annex Building,
Jekegram, Pokhran Road No. 1,
Thane - 400 606, M.S., (India)
Tel. : +91-22-61527000, Fax : +91-22-61527670

www.ringplusaqua.com

50 YEARS Roots to Wings
Soaring into the future, with pride in our heritage.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MAINI PRECISION PRODUCTS LIMITED ('THE COMPANY') AT THEIR MEETING HELD ON WEDNESDAY, MAY 1, 2024 AT B-165, 3RD CROSS, 1ST STAGE, PEENYA INDUSTRIAL ESTATE, BANGALORE, KARNATAKA, INDIA, 560058, AT [*] AM/ PM EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

1. BACKGROUND

1.1 Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution) of the Company at its meeting held on May 1, 2024 with a view to consolidate the engineering business of Raymond Group in a single entity i.e., JKFEL Tools And Technologies Limited ('JKTTL'), a wholly owned subsidiary of Raymond Limited and segregation of the aerospace business of JKTTL in a separate entity i.e., Ray Global Consumer Enterprise Limited ('RGCEL'), a group company of Raymond Limited, have approved the draft Composite Scheme of Arrangement between JK Files & Engineering Limited ('JFEL' or the 'Demerged Company 1') and JKFEL Tools And Technologies Limited ('JKTTL' or the 'Resulting Company 1' or the 'Transferee Company' or the 'Demerged Company 2') and Ray Global Consumer Enterprise Limited ('RGCEL' or the 'Resulting Company 2') and Ring Plus Aqua Limited ('RPAL' or the 'Transferor Company 1') and Maini Precision Products Limited ('MPPL' or the 'Transferor Company 2') and their respective shareholders and reduction and cancellation of the existing paid up redeemable preference share capital of JFEL and existing paid up equity share capital of JKTTL and RGCEL ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

1.2 As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel ('KMPs'), creditors, employees and directors, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting if ordered by the jurisdictional National Company Law Tribunal ('NCLT').

1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4 The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL, into JKTTL and the consequent issuance of New Equity Shares 1 by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 and New CCPS 2 to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up equity share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 2, demerger of Aerospace Business Undertaking of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 and New CCPS 4 to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up equity share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3").

1.5 Appointed Date for the Scheme is April 1, 2024.

1.6 Pursuant to the Scheme, on Demerger 1, JKTTL shall issue its equity shares to the shareholders of JFEL in the proportion of their holding in JFEL, on Amalgamation, JKTTL shall issue its equity shares to the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL) in the proportion of their holding in RPAL and MPPL and on Demerger 2 RGCEL will issue shares to the shareholders of JKTTL in the proportion of their holding in JKTTL.

1.7 The following documents were, inter alia, placed before the Board:

a) Draft Composite Scheme of Arrangement;
b) Report explaining effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel, creditors, employees and directors;
c) Valuation report of KPMG Valuation Services LLP Registered Valuers dated May 1, 2024 for recommendation on the Share Exchange Ratio;
d) Last 3 years audited financials of JFEL, RPAL, RGCEL and MPPL;
e) Provisional financials of JKTTL; and
f) Audit Committee Report for the Scheme.

2. VALUATION REPORT – SHARE EXCHANGE RATIO

Maini Precision Products Limited
Regd. Office & Works : B-165, Peenya Industrial Estate, 1st Stage, 3rd Cross, Bangalore – 560058, INDIA. CIN: U27201KA1973PLC002307
Phone: +91 80 4072 4000 / 2839 4116, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.: www.mainiprecisionproducts.com

2.1 For the purpose of demerger of Engineering Business Undertaking of JFEL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1").

In the event that the New Equity Shares 1 to be issued result in fractional entitlement, the Board of JKTTL shall round off such fractional entitlements to the nearest integer.

2.2 For the purpose of amalgamation of RPAL and MPPL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

On amalgamation of RPAL into JKTTL
"Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

In the event that the New Equity Shares 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 1 (other than itself), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

On amalgamation of MPPL into JKTTL
"One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"One Lakh Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

"One Lakh Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

Maini Precision Products Limited
Regd. Office & Works : B-165, Peenya Industrial Estate, 1st Stage, 3rd Cross, Bangalore – 560058, INDIA. CIN: U27201KA1973PLC002307
Phone: +91 80 4072 4000 / 2839 4116, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.: www.mainiprecisionproducts.com

In the event that the New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 2 [other than RPAL (which shall stand dissolved)], the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

2.3 For the purpose of demerger of Aerospace Business Undertaking of JKTTL into RGCEL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity share of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

"One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up."

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

In the event that the New Equity Shares 4, New CCPS 3 and New CCPS 4 to be issued result in fractional entitlement to the shareholders of Demerged Company 2, the Board of Resulting Company 2 shall round off such fractional entitlements to the nearest integer.

3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

3.1 Effect on Shareholders (Promoters and Non-Promoter Shareholders)

Scheme provides for issue and allotment of Equity Shares on a proportionate basis to each member of MPPL (other than RPAL and JKTTL) or to their else, executors, administrators, other legal representatives or the successor entitled, as the case may be, whose name appear in the Register of Members as on the Record Date as per the Share Exchange Ratio.

Upon the Scheme coming into effect and upon transfer and vesting of assets and liabilities to JKTTL, MPPL shall stand dissolved, without being wound up.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2.

3.2 Effect on the KMPs and Director

Existing KMPs/ Directors of MPPL shall cease to be the KMPs/ Directors of MPPL upon the Scheme becoming effective as MPPL shall cease to exist.

KMPs and Directors of MPPL and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in MPPL (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in MPPL, as applicable.

3.3 Effect on the creditors

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of MPPL. No compromise is offered under the Scheme to any of the creditors of MPPL. The liability of MPPL towards the creditors of MPPL, under the Scheme, is neither being reduced nor being extinguished.

3.4 Effect on staff or employees

Under the Scheme, no rights of the staff and employees of MPPL are being affected. The services of the staff and employees of MPPL shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

4. CONCLUSION

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees of MPPL and there shall be no prejudice caused to them in any manner by the Scheme.

FOR MAINI PRECISION PRODUCTS LIMITED

Gautam Maini
Managing Director
DIN: 00667616

Place: Mumbai
Date: May 1, 2024

Maini Precision Products Limited
Regd. Office & Works : B-165, Peenya Industrial Estate, 1st Stage, 3rd Cross, Bangalore – 560058, INDIA. CIN: U27201KA1973PLC002307
Phone: +91 80 4072 4000 / 2839 4116, Fax: +91 80 4127 2500, Email: gkm@mainimail.com, Web.: www.mainiprecisionproducts.com

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

(CIN: U52520MH2021PLC354360)
Registered Office: C/o Raymond Limited, Pokharan Road No 1, Jekegram, Near Cadbury Junction, Thane - 400606, Maharashtra
TEL: 022 61527000 FAX: 022 25412805

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF RAY GLOBAL CONSUMER ENTERPRISE LIMITED ('THE COMPANY') AT THEIR MEETING HELD ON FRIDAY, MAY 3, 2024 AT 10:30 AM AT JK HOUSE, 59A, BHULABHAI DESAI ROAD, MUMBAI-400026 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

1. BACKGROUND

1.1 Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution) of the Company at its meeting held on May 3, 2024 with a view to consolidate the engineering business of Raymond Group in a single entity i.e., JKFEL Tools And Technologies Limited ('JKTTL'), a wholly owned subsidiary of Raymond Limited and segregation of the aerospace business of JKTTL in a separate entity i.e., Ray Global Consumer Enterprise Limited ('RGCEL'), a group company of Raymond Limited, have approved the draft Composite Scheme of Arrangement between JK Files & Engineering Limited ('JFEL' or the 'Demerged Company 1') and JKFEL Tools And Technologies Limited ('JKTTL' or the 'Resulting Company 1' or the 'Transferee Company' or the 'Demerged Company 2') and Ray Global Consumer Enterprise Limited ('RGCEL' or the 'Resulting Company 2') and Ring Plus Aqua Limited ('RPAL' or the 'Transferor Company 1') and Maini Precision Products Limited ('MPPL' or the 'Transferor Company 2') and their respective shareholders and reduction and cancellation of the existing paid up redeemable preference share capital of JFEL and existing paid up equity share capital of JKTTL and RGCEL ('the Scheme') under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013.

1.2 As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel ('KMPs'), creditors, employees and directors, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting if ordered by the jurisdictional National Company Law Tribunal ('NCLT').

1.3 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4 The Scheme inter-alia provides for the following:

(i) Demerger of Engineering Business Undertaking of JFEL through itself and its related subsidiaries i.e., RPAL and JKTL, into JKTTL and the consequent issuance of New Equity Shares 1 by JKTTL to all the shareholders of JFEL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 1");

(ii) Immediately upon effectiveness and operationalization of Demerger 1, reduction and cancellation of the existing paid up redeemable preference share capital of JFEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 1");

(iii) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, amalgamation of RPAL and MPPL with JKTTL and the consequent issuance of (a) New Equity Shares 2 and New Equity Shares 3 by JKTTL to all the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL); and (b) New CCPS 1 and New CCPS 2 to all the shareholders of MPPL (other than RPAL and JKTTL), and dissolution of RPAL and MPPL without winding up in the manner provided for in the Scheme and in compliance with Section 2(1B) and other relevant provisions of the IT Act ("Amalgamation");

(iv) Immediately upon effectiveness and operationalization of Amalgamation, reduction and cancellation of the existing paid up equity share capital of JKTTL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 2");

(v) Immediately upon effectiveness and operationalization of Share Capital Reduction and Cancellation 1, demerger of Aerospace Business Undertaking of JKTTL into RGCEL and the consequent issuance of (a) New Equity Shares 4 by RGCEL to all the equity shareholders of JKTTL; and (b) New CCPS 3 and New CCPS 4 to holders of New CCPS 1 and New CCPS 2 respectively in JKTTL in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act ("Demerger 2"); and

(vi) Immediately upon effectiveness and operationalization of Demerger 2, reduction and cancellation of the existing paid up equity share capital of RGCEL as of immediately prior to the Effective Date ("Share Capital Reduction and Cancellation 3");

1.5 Appointed Date for the Scheme is April 1, 2024.

1.6 Pursuant to the Scheme, on Demerger 1, JKTTL shall issue its equity shares to the shareholders of JFEL in the proportion of their holding in JFEL, on Amalgamation, JKTTL shall issue its equity shares to the shareholders of RPAL (other than JKTTL) and MPPL (other than RPAL and JKTTL) in the proportion of their holding in RPAL and MPPL and on Demerger 2, RGCEL will issue shares to the shareholders of JKTTL in the proportion of their holding in JKTTL.

1.7 The following documents were, inter alia, placed before the Board:

a) Draft Composite Scheme of Arrangement;
b) Report explaining effect of the Scheme on each class of shareholders (promoters and non-promoter shareholders), key managerial personnel, creditors, employees and directors;
c) Valuation report of KPMG Valuation Services LLP Registered Valuers dated May 1, 2024 for recommendation on the Share Exchange Ratio;
d) Certificate dated May 3, 2024 issued by the Statutory Auditors of RGCEL i.e., M G M and Company, Chartered Accountants, to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013;
e) Last 3 years audited financials of JFEL, RPAL, RGCEL and MPPL; and
f) Provisional financials of JKTTL.

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

2. VALUATION REPORT – SHARE EXCHANGE RATIO

2.1 For the purpose of demerger of Engineering Business Undertaking of JFEL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One Hundred and Twenty Five (125 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JFEL of INR 2/- each fully paid up."

(Equity shares to be issued by the Resulting Company 1 as above are hereinafter referred to as "New Equity Shares 1").

In the event that the New Equity Shares 1 to be issued result in fractional entitlement, the Board of JKTTL shall round off such fractional entitlements to the nearest integer.

2.2 For the purpose of amalgamation of RPAL and MPPL into JKTTL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

On amalgamation of RPAL into JKTTL

"Six Hundred and Seven (607 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of RPAL of INR 10/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 2").

In the event that the New Equity Shares 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 1 (other than itself), the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

On amalgamation of MPPL into JKTTL

"One Hundred and Thirty Two (132 Only) equity shares of JKTTL of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of MPPL of INR 2/- each fully paid up."

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares 3").

"One Lakh Forty Thousand (1,40,000 Only) CCPS Series A of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 1").

"One Lakh Forty Five Thousand (1,45,000 Only) CCPS Series B of JKTTL of INR 100/- fully paid up shall be issued and allotted as fully paid up to the promoters of MPPL."

(CCPS to be issued by the Transferee Company as above are hereinafter referred to as "New CCPS 2").

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

In the event that the New Equity Shares 3, New CCPS 1 and New CCPS 2 to be issued result in fractional entitlement to the shareholders of Transferor Company 2 [other than RPAL (which shall stand dissolved)], the Board of Transferee Company shall round off such fractional entitlements to the nearest integer.

2.3 For the purpose of demerger of Aerospace Business Undertaking of JKTTL into RGCEL, based on the valuation report of KPMG Valuation Services LLP, Registered Valuers dated May 1, 2024, the following Share Exchange Ratio be and is hereby approved as under:

"One (1 Only) equity share of RGCEL of INR 10/- each fully paid up for every One (1 Only) equity share of JKTTL of INR 10/- each fully paid up."

(Equity shares to be issued by the Resulting Company 2 as above are hereinafter referred to as "New Equity Shares 4").

"One (1 Only) CCPS Series A and One (1 Only) CCPS Series B of RGCEL of INR 100/- each fully paid up for every One (1 Only) CCPS Series A and One (1 Only) CCPS Series B respectively of JKTTL of INR 100/- each fully paid up."

(CCPS Series A to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 3").

(CCPS Series B to be issued by the Resulting Company 2 as above are hereinafter referred to as "New CCPS 4").

In the event that the New Equity Shares 4, New CCPS 3 and New CCPS 4 to be issued result in fractional entitlement to the shareholders of Demerged Company 2, the Board of Resulting Company 2 shall round off such fractional entitlements to the nearest integer.

3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTERS AND NON-PROMOTER SHAREHOLDERS), KEY MANAGERIAL PERSONNEL, CREDITORS, EMPLOYEES AND DIRECTORS

3.1 Effect on Shareholders (Promoters and Non-Promoter Shareholders)
Scheme provides for issue and allotment of Equity Shares on a proportionate basis to each member of RGCEL or to their else, executors, administrators, other legal representatives or the successor entitled, as the case may be, whose name appear in the Register of Members as on the Record Date as per the Share Exchange Ratio.

Upon the Scheme coming into effect, existing equity shares held by RL representing 100% of the total paid up capital of RGCEL shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Demerged Company 1, the Resulting Company 1/ Transferee Company/ Demerged Company 2, the Transferor Companies and Resulting Company 2 arising out of or

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Resulting Company 1/ Transferee Company/ Demerged Company 2 and Resulting Company 2.

3.2 Effect on the KMPs and Director

RGCEL is not expecting any change in the KMPs and Directors in pursuance of the Scheme becoming effective.

KMPs and Directors of RGCEL and their respective relatives may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding in RGCEL (if any), or to the extent the said KMPs / Directors are the partners, directors, members of the companies, firms, association of persons, body corporates and / or beneficiary of the trust that holds shares in RGCEL, as applicable.

3.3 Effect on the creditors

Under the Scheme, there is no arrangement with the creditors (secured or unsecured) of RGCEL. No compromise is offered under the Scheme to any of the creditors of RGCEL. The liability of RGCEL towards the creditors of RGCEL, under the Scheme, is neither being reduced nor being extinguished.

3.4 Effect on staff or employees

Under the Scheme, no rights of the staff and employees of RGCEL are being affected. The services of the staff and employees of the Aerospace Business Undertaking of RGCEL shall continue on the same terms and conditions prior to the proposed Scheme in case of transfer of employees as part of the Scheme.

4. CONCLUSION

While deliberating the Scheme, the Board has considered its impact on each of the shareholders, (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees. The Scheme is in the best interest of the shareholders (promoters and non-promoter shareholders), key managerial personnel, directors, creditors and employees of RGCEL and there shall be no prejudice caused to them in any manner by the Scheme.

FOR AND ON BEHALF OF THE BOARD OF
RAY GLOBAL CONSUMER ENTERPRISE LIMITED

Ashish

ASHISH AGGARWAL
CHAIRMAN OF THE MEETING
(NON-EXECUTIVE DIRECTOR)
DIN: 09231011

RAY GLOBAL CONSUMER ENTERPRISE LIMITED

PLACE: MUMBAI
DATE: MAY 3, 2024

KPMG Valuation Services LLP
2nd Floor, Block T2 (B Wing)
Lodha Excelus, Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi,
Mumbai – 400 011 India

Telephone: +91 (22) 3989 6000
Fax: +91 (22) 3090 2210
Internet: www.kpmg.com/in
Email:indiawebsite@kpmg.com

Dated: 01 May 2024

The Board of Directors,
JK Files & Engineering Limited
New Hind House,
Narottam Morarjee Marg,
Ballard Estate,
Mumbai - 400 001

The Board of Directors,
Ring Plus Aqua Limited
D-3,4, Audyogik Vasahat
Maryadit
Village Musalgoan,
Taluka Sinnar,
Nasik – 422 112

The Board of Directors,
Maini Precision Products Limited
B-165, 3rd Cross, 1st Stage,
Peenya Industrial Estate
Bangalore – 560 058

Re: Recommendation of Share Exchange ratio for the proposed demerger of Engineering Business of JK Files & Engineering Limited and merger of Ring Plus Aqua Limited and Maini Precision Products Limited into NewCo1 and demerger of Aero Business Undertaking of NewCo1 into NewCo2.

Dear Madams/ Sirs,

We refer to our engagement letter dated 30 October 2023 and addendum to the letter of engagement dated 26 April 2024 (hereinafter together referred as "Engagement Letter") whereby JK Files & Engineering Limited ("JKFEL"), Ring Plus Aqua Limited ("RPAL") and Maini Precision Products Limited ("MPPL") (together referred to as "Clients", or "You") have requested KPMG Valuation Services LLP (hereinafter referred to as "KPMG" or "Valuer" or "us" or "we") to recommend an equity share exchange ratio in connection with the proposed Transaction defined hereinafter.

BACKGROUND OF THE COMPANIES

JK Files & Engineering Limited (formerly known as JK Files (India) Limited) is a public company limited by shares and domiciled in India. The company along with its subsidiaries deals in tools and hardware and auto components and have manufacturing facilities at Chiplun, Ratnagiri and Vapi. JKFEL is a 100 per cent subsidiary of Raymond Limited.

Ring Plus Aqua Limited is in the business of manufacturing and selling ring gears, flexplates, water pump bearings, machined components, both for auto and non-auto sector. RPAL operates three manufacturing facilities in India located in the industrial belt of Nashik, Maharashtra. JKFEL is the holding company of RPAL and currently holds 89.07 per cent in RPAL.

Maini Precision Products Limited is principally engaged in the business of manufacturing as per customer specific drawings, and supplying, high precision mechanical components, assemblies, and sub-assemblies to the automotive, industrial, defense and aerospace sectors. RPAL currently holds 59.25 per cent in MPPL.

The Engineering Business of JKFEL ("Engineering Business Undertaking") comprises of engineering business carried on by JKFEL through itself and its investment in related subsidiaries and associates i.e., RPAL, JK Talabot Limited ("JKTL") and MPPL.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

SCOPE AND PURPOSE OF THIS REPORT

We understand that the managements of JKFEL, RPAL and MPPL ("Management/s") are contemplating demerger of Engineering Business Undertaking from JKFEL and simultaneous amalgamation of RPAL and MPPL into a New Company ("NewCo1"), Further, the Management is also contemplating demerger of Aero Business Undertaking of NewCo1 into proposed New Company 2 ("NewCo2"). The proposed demerger of Aero Business Undertaking shall entail allotment of equity shares and Compulsorily Convertible Preference Shares (CCPS) of NewCo2 to all the shareholders and CCPS holders of NewCo1, and all the shareholders of NewCo1 shall be the beneficial economic owners of NewCo2 i.e., the shareholding pattern of NewCo1 shall mirror the shareholding pattern of NewCo2. The aforementioned proposed transaction shall take place on a going concern basis with effect from the proposed Appointed Date of 1 April 2024 pursuant to a Scheme of Arrangement under the provisions of Sections 230 to 232 of the Companies Act, 2013 (including any statutory modifications, re-enactment or amendments thereof) and other applicable securities and capital market laws and rules issued thereunder to the extent applicable (the "Scheme") (the "Proposed Transaction"). Pursuant to the aforesaid demerger of Engineering Business Undertaking and amalgamation of RPAL and MPPL into NewCo1 and in consideration thereof, NewCo1 will issue equity shares to the equity shareholders of JKFEL, Eligible Shareholders of RPAL and equity shares and CCPS to the Eligible Shareholders of MPPL (as defined below). Further, equity shares and CCPS of NewCo2 will be issued to the equity shareholders and CCPS holders respectively of NewCo1. The number of equity shares of NewCo1 of face value of INR 10/- each to be issued for the equity value of Engineering Business Undertaking ("Share Exchange Ratio 1"), RPAL ("Share Exchange Ratio 2") and MPPL ("Share Exchange Ratio 3"). Further, the number of equity shares of NewCo2 of face value of INR 10/- each to be issued for the equity value of NewCo1 ("Share Exchange Ratio 4"), in the event of the Proposed Transaction is collectively referred to as the "Equity Share Exchange Ratio". As per the Scheme, pursuant to the simultaneous merger of RPAL and MPPL into NewCo1, all shareholders of RPAL other than JKFEL and similarly all shareholders of MPPL other than RPAL will only receive shares of NewCo1, referred as "Eligible Shareholders" of RPAL and MPPL respectively.

In this connection the Clients have requested us to render our professional services by way of carrying out a valuation of Engineering Business Undertaking, RPAL, MPPL, NewCo1 and NewCo2 (together referred as the "the Companies" or "Businesses") and submit a report recommending the Equity Share Exchange Ratio for the Proposed Transaction, on a going concern basis with 31 March 2024 being the valuation date, (the "Services") for the consideration of the Board of Directors (including audit committees, if applicable) of the Clients in accordance with relevant laws, rules and regulations. To the extent mandatorily required under applicable laws of India, this report maybe produced before the judicial, regulatory or government authorities, stock exchanges, shareholders in connection with the Proposed Transaction.

The scope of our services is to conduct a valuation (not an absolute valuation) of the Businesses and recommend Equity Share Exchange Ratio for the Proposed Transaction.

We have considered financial information up to 31 March 2024 (the "Valuation Date") in our analysis and made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters, which will have a bearing on the valuation analysis. The Managements have informed us that they do not expect any events which are unusual or not in normal course of business up to the effective date of the Proposed Transaction, other than the events specifically mentioned in this report. We have relied on the above while arriving at the Equity Share Exchange Ratio for the Proposed Transaction.

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

This report dated 1 May 2024 is our deliverable in respect of our recommendation of the Equity Share Exchange Ratio for the Proposed Transaction. This report shall supersede any earlier report issued to the Clients under this Engagement Letter.

This report and the information contained herein is absolutely confidential. The report will be used by the Clients only for the purpose, as indicated in this report, for which we have been appointed. The results of our valuation analysis and our report cannot be used or relied by the Clients for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person/ party based on this report. Any person/ party intending to provide finance/ invest in the shares/ businesses of the Companies/ their holding companies/ subsidiaries/ joint ventures/ associates/ investee/ group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Clients) chooses to place reliance upon any matters included in the report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this report or any part thereof, except for the purpose as set out earlier in this report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

The report including, (for the avoidance of doubt) the information contained in it is absolutely confidential and intended only for the sole use and information of the Clients. Without limiting the foregoing, we understand that the Clients may be required to submit the report to or share the report with their professional advisors, shareholders, merchant bankers providing fairness opinion on the equity share exchange ratio and regulatory authorities, in connection with the Proposed Transaction (together, "Permitted Recipients"). We hereby give consent to the disclosure of the report to any of them, subject to the Clients ensuring that any such disclosure shall be subject to the condition and understanding that:

- it will be the Client's responsibility to review the report and identify any confidential information that it does not wish to or cannot disclose;
- we owe responsibility only to the Clients that have engaged us and nobody else, and to the fullest extent permitted by law;
- we do not owe any duty of care to anyone else other than the Clients and accordingly that no one other than the Clients is entitled to rely on any part of the report;
- we accept no responsibility or liability towards any third party (including, the Permitted Recipients) to whom the report may be shared with or disclosed or who may have access to the report pursuant to the disclosure of the report to the Permitted Recipients. Accordingly, no one other than the Clients shall have any recourse to us with respect to the report;
- we shall not under any circumstances have any direct or indirect liability or responsibility to any party engaged by the Clients or to whom the Clients may disclose or directly or indirectly permit the disclosure of any part of the report and that by allowing such disclosure we do not assume any duty of care or liability, whether in contract, tort, breach of statutory duty or otherwise, towards any of the third parties.

It is clarified that reference to this valuation report in any document and/ or filing with aforementioned tribunal/ judicial/ regulatory authorities/ government authorities/ courts/ shareholders/ professional advisors/ merchant bankers, in connection with the Proposed Transaction, shall not be deemed to be

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

an acceptance by the Valuer of any responsibility or liability to any person/ party other than the Boards of Directors of the Clients.

This report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

DISCLOSURE OF INTEREST/ CONFLICT

- KPMG is not affiliated to the Clients in any manner whatsoever.
- KPMG does not have a prospective interest in the businesses/ companies which is the subject of this report.
- KPMG's fee is not contingent on an action or event resulting from the analyses, opinions or conclusions in this report.

SOURCES OF INFORMATION

In connection with this exercise, we have used the following information shared with us during the course of the engagement:

- Salient features of the Proposed Scheme of Arrangement
- Historical financials of the Companies and the subsidiaries
- Projections of the Companies and the subsidiaries, as applicable
- Discussion with the Managements of the Companies in connection with the operations of the respective Companies/ subsidiaries, past and present activities, future plans and prospects, details of the proposed deal in certain subsidiaries of the Companies as recently announced, share capital and shareholding pattern of the Companies.
- For our analysis, we have relied on published and secondary sources of data, whether or not made available by the Companies. We have not independently verified the accuracy or timeliness of the same; and
- Such other analysis and enquiries, as we considered necessary

We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the Managements and representatives of the Companies. The Clients have been provided with the opportunity to review the draft report (excluding the recommended Equity Share Exchange Ratio) for this engagement to make sure that factual inaccuracies are avoided in our final report.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

This report, its content, and the results herein are specific to the purpose of valuation and the Valuation Date mentioned in the report and agreed as per the terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This report is issued on the understanding that the management of the Companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the Equity Share Exchange Ratio for the Proposed Transaction as on the Valuation Date. We have considered only circumstances existing at the Valuation Date and events occurring up to the Valuation Date. Events and circumstances may have occurred since the Valuation Date concerning the financial position of the Companies or any other matter and such events or circumstances might be considered material by the Companies or any third party. We have taken into account, in our valuation analysis, such events and circumstances occurring after the Valuation Date as disclosed to us by the Companies, to the extent considered appropriate by us based on our professional judgement. Further, we have no responsibility to update the report for any events and circumstances occurring after the date of the report. Our valuation analysis was completed on a date subsequent to the Valuation Date and accordingly we have taken into account such valuation parameters and over such period, as we considered appropriate and relevant, up to a date close to such completion date.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information received from the Companies till 30 April 2024 and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). You acknowledge and agree that you have the final responsibility for the determination of the Equity Share Exchange Ratio at which the proposed transaction shall take place and factors other than our Valuation report will need to be taken into account in determining the Equity Share Exchange Ratio; these will include your own assessment of the Proposed Transaction and may include the input of other professional advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our engagement, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying, (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting/ financial/ commercial/ legal/ tax/ environmental due diligence or forensic/ investigation services and does not include verification or validation work. In accordance with the terms of our Engagement Letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical and projected financial information, if any, provided to us regarding the Companies/ their holding/ subsidiary/ associates/ joint ventures/ investee companies, if any. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

fairness of the financial position as indicated in the historical financials/ financial statements and projections. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Companies. Also, with respect to explanations and information sought from the

Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by/on behalf of the Companies. The respective Managements of the Companies have indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/ results. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report.

The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not recorded in the audited/ unaudited balance sheets of the Companies/ their holding/ subsidiary/ associates/ joint ventures/ investee companies, if any. Our conclusion of value assumes that the assets and liabilities of the Companies reflected in their respective latest audited or provisional balance sheets remain intact as of the report date. No investigation of the Companies'/ subsidiaries claims to title of assets has been made for the purpose of this report and the Companies'/ subsidiaries claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

Our report is not nor should it be construed as our opining or certifying the compliance of the Proposed Transaction with the provisions of any law/ standards including companies, foreign exchange regulatory, accounting and taxation (including transfer pricing) laws/ standards or as regards any legal, accounting or taxation implications or issues arising from such Proposed Transaction.

Our report is not nor should it be construed as our recommending the Proposed Transaction or anything consequential thereto/ resulting therefrom. This report does not address the relative merits of the Proposed Transaction as compared with any other alternatives or whether or not such alternatives could be achieved or are available. Any decision by the Companies/ their shareholders/ creditors regarding whether or not to proceed with the Proposed Transaction shall rest solely with them. We express no opinion or recommendation as to how the shareholders/ creditors of the Companies should vote at any shareholders'/ creditors' meeting(s) to be held in connection with the Proposed Transaction. This report does not in any manner address, opine on or recommend the prices at which the securities of the Companies could or should transact at following the announcement/ consummation of the Proposed Transaction. Our report and the opinion/ valuation analysis contained herein is not nor should it be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities or as providing management services or carrying out management functions. It is understood that this analysis does not represent a fairness opinion.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

We express no opinion on the achievability of the forecasts, if any, relating to the Companies/ their subsidiaries/ associates/ joint ventures/ investee companies/ their businesses given to us by the Managements. The future projections are the responsibility of the respective management of the Companies. The assumptions used in their preparation, as we have been explained, are based on their present expectation of both – the most likely set of future business events and circumstances and the respective management's course of action related to them. It is usually the case that some events and circumstances do not occur as expected or are not anticipated. Therefore, actual results during the forecast period may differ from the forecast and such differences may be material.

We have not conducted or provided an analysis or prepared a model for any individual assets/ liabilities and have wholly relied on information provided by the Companies in that regard.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Transaction, without our prior written consent.

This valuation report is subject to the laws of India.

Any discrepancies in any table/ annexure between the total and the sums of the amounts listed are due to rounding-off.

PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and business information;
- Obtained data available in public domain;
- Undertook high level industry analysis and research based on publicly available market data;
- Discussions (over call/ emails/ conferences) with the Management to understand the business and fundamental factors that could affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance;
- Selection of valuation methodology(ies) as appropriate;
- Determined the share exchange ratio based on the selected methodology for Demerger under Part B of the Scheme.
- Determined the share exchange ratio based on the selected methodology for Amalgamation under Part C of the Scheme.
- Determined the share exchange ratio for Demerger under Part E of the Scheme.
- For the purpose of arriving at the valuation of the Companies we have considered the valuation base as 'Fair Value' and the premise of value is 'Going Concern Value'. Any change in the valuation base, or the premise could have significant impact on our valuation exercise, and therefore, this report.

SHARE CAPITAL DETAILS OF THE COMPANIES

JK Files & Engineering Limited (JKFEL)

As at 31 March 2024 and the report date, the paid up equity share capital of JKFEL is INR 104.9 million consisting of 52,443,948 equity shares of face value of INR 2/- each fully paid up. The shareholding pattern of JKFEL is as follows:

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

Category	No of Shares	% shareholding
Raymond Limited	5,24,43,948	100.0%
Total	5,24,43,948	100.0%

Ring Plus Aqua Limited (RPAL)

As at 31 March 2024 and the report date, the paid up equity share capital of RPAL is INR 77.6 million consisting of 7,756,671 equity shares of face value of INR 10/- each fully paid up. The shareholding pattern of RPAL is as follows:

Category	No of Shares	% shareholding
JK Files & Engineering Limited	69,08,482	89.07%
J K Investors (Bombay) Limited	4,96,165	6.40%
Others	3,52,024	4.53%
Total	77,56,671	100%

Maini Precision Products Limited (MPPL)

As at 31 March 2024 and report date, the paid-up equity share capital of MPPL is INR 104.87 million consisting of 52,438,440 equity shares of face value of INR 2/- each fully paid up. The shareholding pattern of MPPL is as follows:

Category	No of Shares	% shareholding*
RPAL	31,069,777	59.25%
Others	21,368,663	40.75%
Total	5,24,38,440	100%

New Company 1 (NewCo1)

We understand from the Management that a new company has been incorporated for the demerger and amalgamation exercise. The company is named as JKFEL Tools and Technologies Limited ("JKTTL" or "NewCo1"). As at the report date, the paid-up equity share capital of NewCo1 is INR 0.1 million consisting of 10,000 equity shares of face value of INR 10/- each fully paid up. The shareholding pattern of NewCo1 is as follows:

Category	No of Shares	% shareholding
Raymond Limited	10,000	100%
Total	10,000	100%

Proposed New Company (NewCo2)

We understand from the Management that Raymond will be purchasing an already existing company (the company currently has no business of its own) for the demerger exercise. The company is named as Ray Global Consumer Enterprise Limited ("RGCEL" or "NewCo2"). As at the report date, the paid-up equity share capital of NewCo2 is INR 0.5 million consisting of 50,000 equity shares of face value of INR 10/- each fully paid up. The proposed shareholding pattern of NewCo2 is as follows:

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

Category	No of Shares	% shareholding
Raymond Limited	50,000	100%
Total	50,000	100%

APPROACH AND METHODOLOGY – BASIS OF TRANSACTION

The Scheme contemplates demerger of Engineering Business Undertaking from JKFEL and simultaneous amalgamation of RPAL and MPPL into NewCo1 and demerger of Aero Business Undertaking of NewCo1 into NewCo2 under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and rules issued thereunder to the extent applicable.

Arriving at the Equity Share Exchange Ratio for the purposes of an arrangement such as the Proposed Transaction, would require determining the relative values of each company/ undertaking and of their shares. These values are to be determined independently but on a relative basis, and without considering the effect of the arrangement.

BASIS OF VALUE

The report has been prepared on the basis of "Fair Value" as at Valuation Date. The generally accepted definition of "Fair Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

PREMISE OF VALUE

The report has adopted "Going Concern Value" as the premise of value in the given circumstances. The generally accepted definition of Going concern value is the value of a business enterprise that is expected to continue to operate in the future.

We have carried out the valuation in accordance with the principles laid in the ICAI Valuation Standards/ International Valuation Standards, as applicable to the purpose and terms of this engagement.

The three main valuation approaches are the market approach, income approach and asset approach. There are several commonly used and accepted methods within the market approach, income approach and asset approach, for determining the value of equity shares of a company, which can be considered in the present valuation exercise, to the extent relevant and applicable, to arrive at the Equity Share Exchange Ratio for the purpose of the Proposed Transaction, such as:

- Market Approach - Market Price Method; Comparable Companies Multiples (CCM) Method
- Income Approach - Discounted Cash Flow (DCF) Method
- Asset Approach - Net Asset Value (NAV) Method/ Summation method

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects,

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

financial and otherwise, of the companies/ businesses, and other factors which generally influence the valuation of companies and their assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of method of valuation has been arrived at using usual and conventional methods adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Asset Approach: Under the asset approach, the net asset value (NAV) method is considered, which is based on the underlying net assets and liabilities of the company, taking into account operating assets and liabilities on a book value basis and appropriate adjustments for, interalia, value of surplus/ non-operating assets.

Income Approach: Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

Under DCF method, the projected free cash flows from business operations available to all providers of capital are discounted at the weighted average cost of capital to such capital providers, on a market participant basis, and the sum of such discounted free cash flows is the value of the business from which value of debt and other capital is deducted, and other relevant adjustments made to arrive at the value of the equity – Free Cash Flows to Firm (FCFF) technique; This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

For the purpose of DCF valuation, the free cash flow forecast is based on projected financials as provided by the Management of the Companies. While carrying out this engagement, we have relied on historical information made available to us by the Management of the Companies and the projected financials for future related information. Although we have read, analyzed and discussed the Management Business Plan for the purpose of undertaking a valuation analysis, we have not commented on the achievability of the assumptions/ projections provided to us save for satisfying ourselves to the extent possible that they are consistent with other information provided to us in the course of the assignment. We have assessed and evaluated the reasonableness of the projections based on procedures such as analyzing industry data, historical performance, expectations of comparable companies, analyst reports etc

Market Approach: Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

- **Market Price Method:** Under this method, the value of shares of a company is determined by taking the average of the market capitalisation of the equity shares of such company as quoted on a recognised stock exchange over reasonable periods of time where such quotations are arising

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share, especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger/ demerger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a comparable standard. This method would also cover any other transactions in the shares of the company including primary/ preferential issues/ open offer in the shares of the company available in the public domain.

- **Comparable Companies Multiples (CCM) Method:** Under this method, one attempts to measure the value of the shares/ business of company by applying the derived market multiple based on market quotations of comparable public/ listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company/ business (based on past and/ or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Monte Carlo Simulation approach: Monte Carlo Simulation ("MCS") uses a Geometric Brownian Motion ("GBM") function which is applied for the fair valuation of the options (embedded in CCPS) as on the grant date ("Valuation Date"). A Monte Carlo Simulation is an attempt to predict the future equity values/ stock price many times over a period. This is done using the GBM model, which is technically a Markov process and follows a random walk. The first term is a "drift" and the second term are a "shock". For each time period, model assumes the price will "drift" up by the expected return. But the drift will be added or subtracted by a random shock. The random shock will be the standard deviation multiplied by a random number.

The valuation approaches/ methods used, and the values arrived at using such approaches/ methods have been tabled in the next section of this report.

BASIS OF EQUITY SHARE EXCHANGE RATIO

The basis of the Proposed Transaction would have to be determined after taking into consideration all the factors, approaches and methods considered appropriate by the respective Valuer. Though different values have been arrived at under each of the above approaches/ methods, for the purposes of recommending the Equity Share Exchange Ratio it is necessary to arrive at a single value for the shares of the companies involved in a transaction such as the proposed Transaction. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of the Businesses but at their values to facilitate the determination of an Equity Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each approach/ method.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the valuer and judgments taking into account all the relevant factors. There will always be several factors,

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063 e.g., quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share. The determination of exchange ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. This concept is also recognized in judicial decisions. There is, therefore, no indisputable single exchange ratio. While we have provided our recommendation of the Equity Share Exchange Ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the Equity Share Exchange Ratio of the equity shares of Engineering Business Undertaking, RPAL, MPPL, NewCo1 and NewCo2. The final responsibility for the determination of the exchange ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their own assessment of the Proposed Transaction and input of other advisors.

The Equity Share Exchange Ratio has been arrived at on the basis of equity valuation of Engineering Business Undertaking, RPAL, MPPL, NewCo1 and NewCo2 based on the various applicable approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of these companies, having regard to information base, key underlying assumptions and limitations.

We have applied relevant methods discussed above, as considered appropriate, and arrived at the assessment of the values per equity share of Engineering Business Undertaking, RPAL, MPPL, NewCo1 and NewCo2. To arrive at the Equity Share Exchange Ratio for the Proposed Transaction, suitable minor adjustments/ rounding off have been done in the values arrived at by us.

VALUER NOTES

For the present valuation analysis, we have considered it appropriate to apply the Income Approach and Market Approach for Engineering Business Undertaking, RPAL and MPPL and Cost approach for NewCo1 and NewCo2 to arrive at the value of the equity shares for the purpose of the Proposed Transaction.

Given the nature of the businesses of the Companies and the fact that JKFEL, RPAL and MPPL has provided projected financials for their respective businesses, we have considered it appropriate to apply the DCF Method under the Income Approach to arrive at the relative fair value of the share of the Companies for the purpose of arriving at the Equity Share Exchange Ratio. We also conducted benchmarking of revenue growth and EBITDA margins with comparable companies and historical performance of the respective businesses and arrived at revised cashflows for DCF method.

Considering the availability of comparable listed peer set in the businesses carried out by the Companies, we have also applied the Comparable Companies Multiples method under the Market Approach to arrive at the value of the shares of Companies for the purpose of arriving at the Equity Share Exchange Ratio. Here we used quartile 1 and quartile 2 multiple to arrive at our range of valuation under this method. Further, we have used Monte Carlo simulation using Geometric Brownian Motion approach to value the CCPS (conversion ratio) as the terms depends on various conditions which are to be satisfied during the conversion of CCPS into equity shares.

In the current analysis, the merger of the Companies is proceeded with on the assumption that they would merge as going concerns and an actual realization of the operating assets is not contemplated.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

The operating assets have therefore been considered at their book and non-operating/ surplus assets, if any at their values under the Asset Approach. In such a going concern scenario, the earning power, as reflected under the Income/ Market approach, is of greater importance to the basis of amalgamation/ demerger, with the values arrived at on the net asset basis being of limited relevance. Hence, while we have calculated the values of the shares of the Businesses under the Asset Approach, we have considered it appropriate not to give any weightage to the same in case of Engineering Business Undertaking, RPAL and MPPL. However, we have used NAV approach to value NewCo1 and NewCo2 (Primarily consisting of only cash considering its current operations and the future business outlook as provided by the Management).

Pursuant to the Scheme, all the shareholders of NewCo1 would also become shareholders of NewCo2 and their shareholding would mirror in the Resulting Company. The effect of the demerger is that each shareholder (includes equity, CCPS- Series A and CCPS- Series B) of NewCo1 becomes the owner of shares/ CCPS in the Resulting Company through the mechanism as explained in the Scheme. Accordingly, any entitlement ratio can be considered fair for the above demerger including the entitlement ratio proposed in this Report.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Equity Share Exchange Ratio for the Proposed Transaction whose computation is as under:

The computation of Equity Share Exchange Ratio as derived by KPMG, is given below:

	Engineering Business Undertaking	RPAL	MPPL
Equity Value – INR Million	10,853	7,750	12,000
No of Shares	5,24,43,948	77,56,671	5,24,38,440
Value per Share - INR	**206.9**	**999.1**	**228.8**
Value per Share – INR (NewCo1)	**10**	**10**	**10**
Exchange Ratio (Rounded off)	**20.7**	**99.9**	**22.9**

Refer Annexures for calculation of Equity value of each of the business.

As a result of the above demerger and merger, shareholders of JKFEL (Raymond Limited), Eligible Shareholders of MPPL, and Eligible Shareholders of RPAL will be issued shares of the NewCo1. Further, Eligible Shareholders of MPPL will be issued a mix of equity shares, CCPS- Series A and CCPS- Series B such that their final stake on fully diluted basis remains same. The number of shares to be issued is presented below:

	Shares held in respective Cos	Share Exchange Ratio	Shares in NewCo1
Equity Shareholders - JKFEL	5,24,43,948	20.7	**1,085,254,047**
Eligible Shareholders - MPPL*	2,13,68,664	22.9	**489,000,000**
Eligible Shareholders– RPAL	8,48,189	99.9	**84,745,953**

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

** NewCo1 will issue a mix of Equity shares and CCPS- Series A and CCPS- Series B to the Eligible Shareholders of MPPL*

We understand from the Management that the authorized share capital of the NewCo1 will be Ninety-nine lakhs equity shares of face value of INR 10/- each. As part of the demerger, the existing shareholding of the NewCo1 will be cancelled and only the new shares issued will remain in the company. Further, as the authorized capital is lower than the total number of shares to be issued, number of shares to be issued to the above shareholders will be reduced in proportion such that the total share capital of NewCo1 remains as Ninety-nine lakh equity shares and the shareholding remains unchanged. Same is presented in the table below:

	No of shares as per Share Swap Ratio	% Share	No of Shares to be issued	% Share
Equity Shareholders - JKFEL	**1,085,254,047**	65.4%	6,563,700	66.3%
Eligible Shareholders - MPPL*	**489,000,000**	29.5%	2,821,500	28.5%
Eligible Shareholders– RPAL	**84,745,953**	5.1%	514,800	5.2%
Total	**1,659,000,000**	**100%**	**99,00,000**	**100%**

** In addition to the above equity shares, NewCo1 will also issue 140,000 CCPS- Series A and 145,000 CCPS- Series B to the eligible shareholders of MPPL such that the final shareholding of Eligible Shareholders of MPPL will remain same.*

Basis the above, the number of shares for each of the group is as follows:

	Shares held in respective Cos	No of Shares in NewCo1	Share Exchange Ratio
Equity Shareholders - JKFEL	5,24,43,948	6,563,700	125/1000
Eligible Shareholders – MPPL*	2,13,68,664	2,821,500	132/1000
Eligible Shareholders– RPAL	8,48,189	514,800	607/1000
Total		**99,00,000**	

** In addition to the above equity shares, NewCo1 will also issue 140,000 CCPS- Series A and 145,000 CCPS- Series B to the eligible shareholders of MPPL.*

In relation to demerger of Aero Business Undertaking from NewCo1 into NewCo2, Pursuant to the above Scheme, all the shareholders of NewCo1 would also become shareholders of NewCo2 and their shareholding would mirror in Resulting Company. The effect of the demerger is that each shareholder of NewCo1 becomes the owner of shares in the Resulting Company through the mechanism as explained in the Scheme.

Accordingly, any entitlement ratio can be considered fair for the above demerger including the entitlement ratio proposed in this Report.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

The Scheme provides that each equity shareholder in NewCo1 shall receive 1 share in NewCo2. Similarly, each CCPS holder in NewCo1 shall receive 1 CCPS in NewCo2.

Based on the aforementioned and that upon demerger, the set of shareholders and holding proportion proposed for NewCo2 is identical to that of NewCo1.

We believe that the above share entitlement ratio is fair and reasonable considering that all the shareholders of NewCo1 are and will, upon demerger, be the ultimate economic beneficial owners of NewCo2 and in the same ratio (inter se) as they hold shares in NewCo1, as on the record date to be decided by Management of NewCo1 in the Scheme.

RATIO

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Equity Share Exchange Ratio for proposed Transaction:

Equity Share Exchange Ratio 1:
Two Hundred Seven (207 Only) equity share of NewCo1 of INR 10/- each fully paid up for every ten (10 Only) equity shares of JK Files & Engineering Limited of INR 2/- each fully paid up.

Equity Share Exchange Ratio 2:
Nine Hundred Ninety-nine (999 Only) equity share of NewCo1 of INR 10/- each fully paid up for every Ten (10 Only) equity shares of Ring Plus Aqua Limited of INR 10/- each fully paid up.

Equity Share Exchange Ratio 3:
Two Hundred Twenty Nine (229 Only) equity share of NewCo1 of INR 10/- each fully paid up for every Ten (10 Only) equity shares of Maini Precision Products Limited of INR 2/- each fully paid up.

Equity Share Exchange Ratio 4:
One (1 Only) equity share of NewCo2 of INR 10/- each fully paid up for every One (1 Only) equity shares of NewCo1 of INR 10/- each fully paid up.

One (1 Only) CCPS- Series A and One (1 Only) CCPS- Series B of NewCo2 of INR 100/- each fully paid up for every One (1 Only) CCPS- Series A and One (1 Only) CCPS- Series B respectively of NewCo1 of INR 100/- each fully paid up.

We understand from the Management that the authorized share capital of the NewCo1 will be Ninety-nine lakhs equity shares of face value of INR 10/- each. As part of the demerger, the existing shareholding of the NewCo1 will be cancelled and only the new shares issued will remain in the company. Further, as the authorized capital is lower than the total number of shares to be issued, number of shares to be issued to the above shareholders will be reduced in proportion such that the total share capital of NewCo1 remains as Ninety-nine lakh equity shares and the shareholding remains unchanged. Basis the above, the implied share exchange ratio are presented below:

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

Equity Share Exchange Ratio 1:
One Hundred Twenty five (125 Only) equity share of NewCo1 of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of JK Files & Engineering Limited of INR 2/- each fully paid up.

Equity Share Exchange Ratio 2:
Six Hundred Seven (607 Only) equity share of NewCo1 of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of Ring Plus Aqua Limited of INR 10/- each fully paid up.

Equity Share Exchange Ratio 3:
One Hundred Thirty Two (132 Only) equity share of NewCo1 of INR 10/- each fully paid up for every Thousand (1000 Only) equity shares of Maini Precision Products Limited of INR 2/- each fully paid up.

In addition to the above, NewCo1 will also issue 140,000 CCPS- Series A and 145,000 CCPS- Series B to the Eligible Shareholders of MPPL in lieu of part of the equity shares.

Equity Share Exchange Ratio 4:
One (1 Only) equity share of NewCo2 of INR 10/- each fully paid up for every One (1 Only) equity shares of NewCo1 of INR 10/- each fully paid up.

One (1 Only) CCPS- Series A and One (1 Only) CCPS- Series B of NewCo2 of INR 100/- each fully paid up for every One (1 Only) CCPS- Series A and One (1 Only) CCPS- Series B respectively of NewCo1 of INR 100/- each fully paid up.

Our Valuation report and Equity Share Exchange Ratio is based on the existing equity share capital structure of the JKFEL, RPAL and MPPL and proposed equity share capital structure of NewCo1 and NewCo2 as mentioned earlier in this report. Any variation in the equity capital of the Companies may have material impact on the Equity Share Exchange Ratio.

Respectfully submitted,

For KPMG Valuation Services LLP
Registered Valuer Entity under Companies (Registered Valuers and Valuation) Rules, 2017
IBBI Registration No. IBBI/RV-E//06/2020/115
Asset class: Securities or Financial Assets

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

Mahek Vikamsey, Partner
IBBI Registration No. IBBI/RV/05/2019/11313
Date: 1 May 2024

KPMG

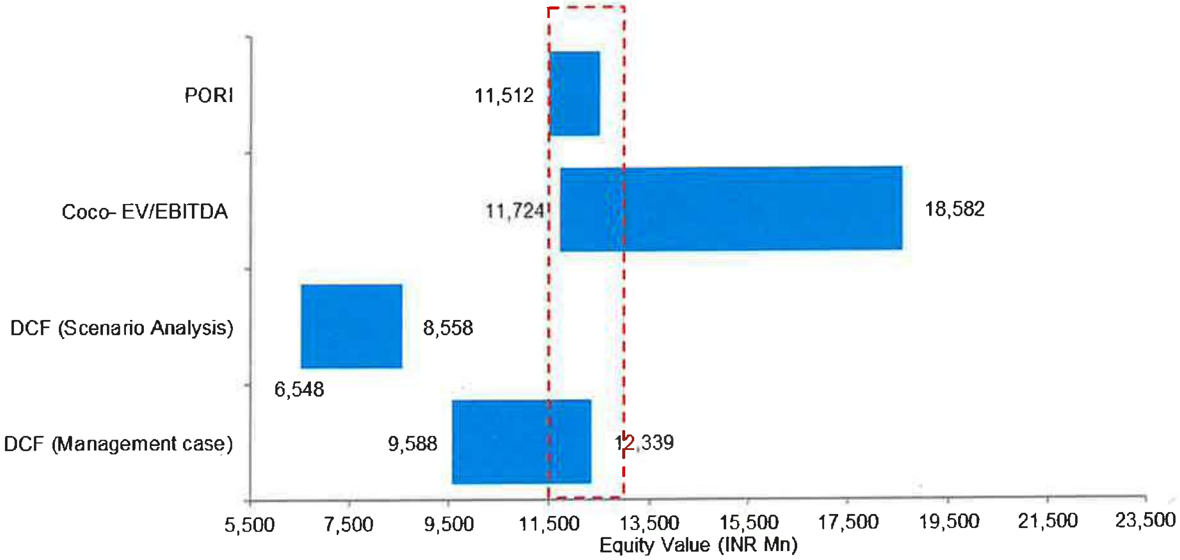
Annexures to the Valuation Report

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063

KPMG

Annexure 1: Valuation Analysis – MPPL

Part A: Summary of Valuation Range for MPPL:



Basis the above, Equity Value of MPPL is in the range of INR 11,500 million to INR 12,500 million.

Part B: Valuation of MPPL

Particulars		Amount (INR Mn)
Equity Value	Low	11,500
Equity Value	High	12,500
Concluded Equity Value		**12,000**
No.of shares on fully diluted basis (in Mn)		52.4
Equity Value/Share (INR)		**228.8**

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

Part C: The workings for each of the scenario presented above is give below:

I) Price of Recent Investment

We understand that RPAL acquired 59.25 per cent stake in MPPL for INR 6,821 million. Therefore, the calibrated equity value of MPPL is as follows:

Particulars	Stake	Amount (INR Mn)
RPAL Purchased	59.25%	6,820.9
Implied Equity Value	100%	11,512.0

Basis the above, equity value of MPPL is INR 11,512 million.

II) DCF analysis – Management Case

Discounted cash flow							
FYE 31 March		**2025**	**2026**	**2027**	**2028**	**2029**	**TY**
INR million		**12 months**	**12 months**	**12 months**	**12 months**	**12 months**	**12 months**
Revenue		**10,678**	**12,137**	**14,000**	**16,345**	**18,838**	**19,780**
y-o-y growth			*13.7%*	*15.3%*	*16.8%*	*15.2%*	*5.0%*
EBITDA	[A]	1,614	1,957	2,329	2,773	3,274	3,438
EBITDA margin (%)		*15.1%*	*16.1%*	*16.6%*	*17.0%*	*17.4%*	*17.4%*
Less: Depreciation		(513)	(560)	(622)	(712)	(817)	(858)
EBIT		1,101	1,397	1,707	2,061	2,457	2,580
EBIT margin (%)		*10.3%*	*11.5%*	*12.2%*	*12.6%*	*13.0%*	*13.0%*
Less: Taxes on EBIT	[B]	(332)	(404)	(479)	(564)	(662)	(649)
(Increase)/decrease in net working capital	[C]	(566)	(456)	(693)	(870)	(933)	(353)
Less: Capital expenditure	[D]	(636)	(731)	(993)	(1,284)	(1,298)	(858)
Free cash flow to the firm [E] = [A] + [B] + [C] + [D		**81**	**366**	**164**	**55**	**381**	**1,578**
Period factor - mid year discounting		0.500	1.500	2.500	3.500	4.500	4.500
Discount factor - mid year discounting	[F]	0.944	0.841	0.750	0.668	0.595	0.595
Present value of cash flow to the firm [E] * [F]		**77**	**308**	**123**	**37**	**227**	**940**

Summary of value	
INR million	
Primary value	772
Terminal value	13,032
Enterprise value	**13,804**
Less: Debt and debt-like	(3,019)
Add: Cash and cash equivalents	143
Add: Surplus Assets	0
Less: Contingent liabilities	(68)
Equity value	**10,859**

Assumptions	
WACC	12.21%
Alpha	
Perpetuity assumptions	
Terminal growth	5.00%
EBITDA Margin	17.4%
Tax Rate	25.2%

Equity value sensitivity - INR million					
	Terminal growth				
WACC	4.0%	4.5%	**5.0%**	5.5%	6.0%
10.2%	14,078	15,602	17,419	19,621	22,347
11.2%	11,254	**12,339**	13,598	15,077	16,840
12.2%	9,138	9,943	**10,859**	11,912	13,134
13.2%	7,498	8,115	8,807	**9,588**	10,478
14.2%	6,194	6,678	7,216	7,815	8,487

Basis the above, equity value of MPPL is in the range of INR 9,588 million to INR 12,339 million

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

III) DCF Analysis – Scenario Analysis

Discounted cash flow		2025	2026	2027	2028	2029	TY
FYE 31 March							
INR million		12 months	12 months	12 months	12 months	12 months	12 months
Revenue		**10,678**	**11,879**	**13,215**	**14,701**	**16,355**	**17,009**
y-o-y growth			*11.2%*	*11.2%*	*11.2%*	*11.2%*	*4.0%*
EBITDA	[A]	**1,743**	1,939	2,157	2,399	2,669	2,776
EBITDA margin (%)		*16.3%*	*16.3%*	*16.3%*	*16.3%*	*16.3%*	*16.3%*
Less: Depreciation		(513)	(560)	(622)	(712)	(817)	(849)
EBIT		1,229	1,379	1,535	1,688	1,853	1,927
EBIT margin (%)		*11.5%*	*11.6%*	*11.6%*	*11.5%*	*11.3%*	*11.3%*
Less: Taxes on EBIT	[B]	(364)	(400)	(436)	(470)	(510)	(485)
(Increase)/decrease in net working capital	[C]	(566)	(359)	(496)	(548)	(619)	(245)
Less: Capital expenditure	[D]	(636)	(731)	(993)	(1,284)	(1,298)	(849)
Free cash flow to the firm [E] = [A] + [B] + [C] + [D		**177**	**449**	**233**	**98**	**243**	**1,197**
Period factor - mid year discounting		0.500	1.500	2.500	3.500	4.500	4.500
Discount factor - mid year discounting	[F]	0.953	0.864	0.784	0.712	0.646	0.646
Present value of cash flow to the firm [E] * [F]		**169**	**388**	**183**	**70**	**157**	**773**

Summary of value	
INR million	
Primary value	930
Terminal value	9,492
Enterprise value	**10,422**
Less: Debt and debt-like	(3,019)
Add: Cash and cash equivalents	143
Add: Surplus Assets	0
Less: Contingent liabilities	(68)
Equity value	**7,477**

Assumptions	
WACC	12.2%
Alpha	0.00%
Perpetuity assumptions	
Terminal growth	5.00%
EBITDA Margin	16.3%
Tax Rate	25.2%

Equity value sensitivity - INR million

WACC \ Terminal growth	4.0%	4.5%	**5.0%**	5.5%	6.0%
10.2%	9,827	10,939	12,265	13,872	15,861
11.2%	7,766	**8,558**	9,477	10,557	11,844
12.2%	6,220	6,808	**7,477**	8,246	9,139
13.2%	5,022	5,472	5,978	**6,548**	7,199
14.2%	4,067	4,421	4,814	5,252	5,743

Basis the above, equity value of MPPL is in the range of INR 6,548 million to INR 8,558 million.

Key assumptions in Scenario Analysis:

- FY25 revenue is considered as provided in Management's scenario and from FY26 onwards growth in revenue is benchmarked against the consensus revenue CAGR for the comparable companies from FY24 to the latest available forecast.
- EBITDA margins from FY25 are considered to be average of historical period pertaining to Auto & Industrial and Aerospace in the ratio of 65% and 35% respectively.
- Capex during the projected period is considered to be the same as projected by the Management.
- Net Working Capital (NWC) for the projected period is based on historical NWC as a % of revenue.
- Weighted Average Cost of Capital (WACC) for management case and scenario analysis has been considered to be 12.2% (Refer IV below)

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

IV) Weighted Average Cost of Capital (WACC)

WACC calculation		
Particulars	**Management Case**	**Scenario Analysis**
Risk-free rate (%)	7.1%	7.1%
Beta	0.86	0.86
Equity market risk premium (%)	7.0%	7.0%
Additional risk premium (%)	0%	0%
Cost of equity capital (%)	**13.1%**	**13.1%**
Debt borrowing rate (%)	7.2%	7.2%
Expected income tax rate (%)	25.17%	25.17%
After-tax cost of debt (%)	**5.4%**	**5.4%**
Debt to Capital %	11.8%	0.6%
Equity to Capital %	88.2%	11.6%
WACC	**12.2%**	**12.2%**

V) Market Approach – CoCo Analysis

Particulars	EV/EBITDA
Bharat Forge Limited	24.7x
Lakshmi Machine Works Limited	28.3x
Sansera Engineering Limited	13.3x
Craftsman Automation Limited	13.4x
Investment & Precision Castings Limited	14.1x
Sundram Fasteners Limited	28.2x
SKF India Limited	30.4x
Howmet Aerospace Inc.	19.6x
Barnes Group Inc.	9.7x
Quartile 1	**13.4x**
Quartile 2	**19.6x**

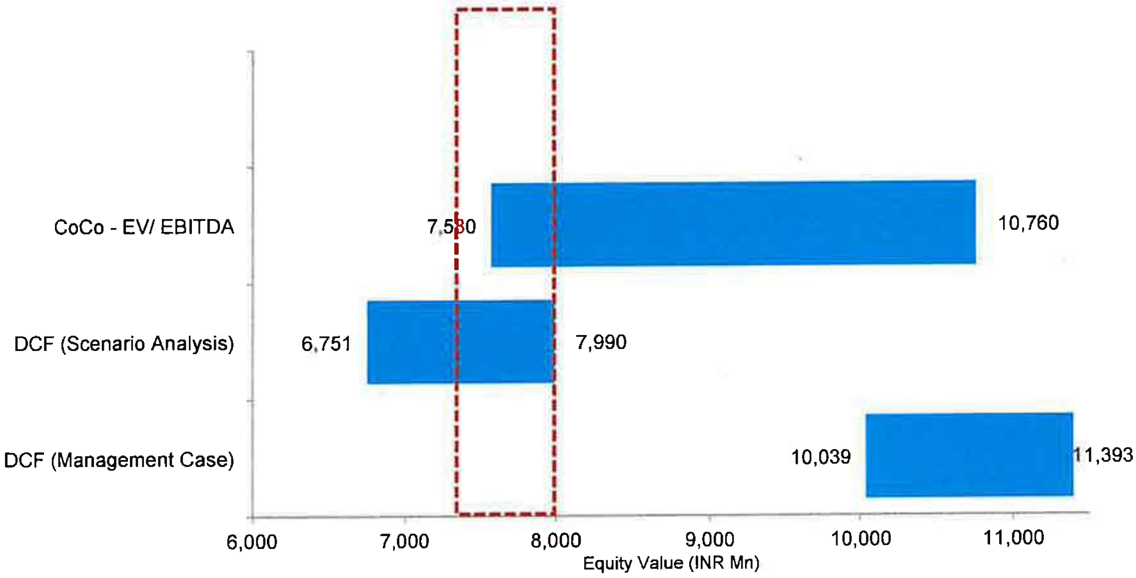
Particulars	Quartile 1	Quartile 2
EBITDA	1,098	1,098
EV/EBITDA Multiple	13.4x	19.6x
Enterprise Value	**14,669**	**21,526**
Less: Debt	(3,019)	(3,019)
Add: Cash & Cash Equivalents	143	143
Add: Surplus Assets	0	0
Less: Contingent Liabilities	(68)	(68)
Equity Value	**11,724**	**18,582**

Basis the above, equity value of MPPL is in the range of INR 11,724 million to INR 18,582 million.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

Annexure 2: Valuation Analysis - RPAL

Part A: Summary of Valuation Range for RPAL



Basis the above, Equity Value of RPAL is in the range of INR 7,500 million to INR 8,000 million.

Part B: Valuation of RPAL

Particulars		Amount (INR Mn)
Equity Value	Low	7,500
Equity Value	High	8,000
Concluded Equity Value	**Average**	**7,750**
No.of shares on fully diluted basis (in Mn)		7.8
Equity Value/Share (INR)		**999**

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

Part C: The workings for each of the scenario presented above is give below:

I) DCF analysis – Management Case

Discounted cash flow		2025	2026	2027	2028	2029	TY
FYE 31 March		**2025**	**2026**	**2027**	**2028**	**2029**	**TY**
INR million		**12 months**	**12 months**	**12 months**	**12 months**	**12 months**	**12 months**
Revenue		**5,297**	**6,229**	**7,318**	**8,562**	**9,931**	**10,428**
y-o-y growth			*17.6%*	*17.5%*	*17.0%*	*16.0%*	*5.0%*
EBITDA	[A]	1,127	1,316	1,578	1,893	2,238	2,350
EBITDA margin (%)		*21.3%*	*21.1%*	*21.6%*	*22.1%*	*22.5%*	*22.5%*
Less: Depreciation		(170)	(198)	(207)	(242)	(253)	(265)
EBIT		957	1,118	1,371	1,650	1,986	2,085
EBIT margin (%)		*18.1%*	*18.0%*	*18.7%*	*19.3%*	*20.0%*	*20.0%*
Less: Taxes on EBIT	[B]	(243)	(272)	(337)	(413)	(498)	(525)
(Increase)/decrease in net working capital	[C]	(122)	(79)	(94)	(132)	(123)	(46)
Less: Capital expenditure	[D]	(978)	(404)	(155)	(500)	(150)	(265)
Free cash flow to the firm [E] = [A] + [B] + [C] + [D]		**(217)**	**561**	**993**	**848**	**1,468**	**1,515**
Period factor - mid year discounting		0.50	1.50	2.50	3.50	4.50	4.50
Discount factor - mid year discounting	[F]	0.93	0.80	0.69	0.60	0.52	0.52
Present value of cash flow to the firm [E] * [F]		**(202)**	**451**	**689**	**508**	**760**	**785**

Summary of value	
INR million	
Primary value	2,207
Terminal value	7,309
Enterprise value	**9,517**
Less: Debt and debt-like	(6,020)
Less: Unpaid Dividend	(0)
Add: Cash and cash equivalents & Surplus	7,184
Less: Contingent liabilities	(1)
Equity value	**10,680**

Assumptions	
WACC	15.7%
Alpha	5.00%
Perpetuity assumptions	
Terminal growth	5.00%
EBITDA Margin	22.5%
Tax Rate	25.2%

Equity value sensitivity - INR million

		Terminal growth				
		4.0%	4.5%	**5.0%**	5.5%	6.0%
WACC	13.7%	12,190	12,678	13,222	13,831	14,519
	14.7%	11,008	**11,393**	11,818	12,289	12,813
	15.7%	10,032	10,342	**10,680**	11,052	11,462
	16.7%	9,212	9,465	9,740	**10,039**	10,366
	17.7%	8,515	8,724	8,950	9,195	9,460

Basis the above, Equity Value of RPAL is in the range of INR 10,039 million to INR 11,393 million.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

II) DCF Analysis – Scenario Analysis

Discounted cash flow		2025	2026	2027	2028	2029	TY
FYE 31 March		2025	2026	2027	2028	2029	TY
INR million		12 months	12 months	12 months	12 months	12 months	12 months
Revenue		**4,639**	**4,991**	**5,370**	**5,778**	**6,217**	**6,528**
y-o-y growth			*7.6%*	*7.6%*	*7.6%*	*7.6%*	*5.0%*
EBITDA	[A]	808	870	936	1,007	1,083	1,137
EBITDA margin (%)		*17.4%*	*17.4%*	*17.4%*	*17.4%*	*17.4%*	*17.4%*
Less: Depreciation		(170)	(198)	(207)	(242)	(253)	(265)
EBIT		638	672	728	765	831	872
EBIT margin (%)		*13.8%*	*13.5%*	*13.6%*	*13.2%*	*13.4%*	*13.4%*
Less: Taxes on EBIT	[B]	(163)	(160)	(175)	(190)	(207)	(219)
(Increase)/decrease in net working capital	[C]	(33)	(36)	(38)	(41)	(44)	(31)
Less: Capital expenditure	[D]	(978)	(404)	(155)	(500)	(150)	(265)
Free cash flow to the firm [E] = [A] + [B] + [C] + [D]		**(366)**	**270**	**567**	**276**	**682**	**621**
Period factor - mid year discounting		0.50	1.50	2.50	3.50	4.50	4.50
Discount factor - mid year discounting	[F]	0.94	0.84	0.75	0.67	0.60	0.60
Present value of cash flow to the firm [E] * [F]		**(346)**	**228**	**427**	**185**	**408**	**372**

Summary of value	
INR million	
Primary value	902
Terminal value	5,258
Enterprise value	**6,160**
Less: Debt and debt-like	(6,020)
Less: Unpaid Dividend	(0)
Add: Cash and cash equivalents & Surplus	7,184
Less: Contingent liabilities	(1)
Equity value	**7,323**

Assumptions	
WACC	12.1%
Alpha	
Perpetuity assumptions	
Terminal growth	5.00%
EBITDA Margin	17.4%
Tax Rate	25.2%

Equity value sensitivity - INR million

		Terminal growth				
		4.0%	4.5%	**5.0%**	5.5%	6.0%
WACC	10.1%	8,776	9,371	10,084	10,953	12,034
	11.1%	7,574	**7,990**	8,475	9,047	9,731
	12.1%	6,673	6,977	**7,323**	7,723	8,189
	13.1%	5,972	6,201	6,459	**6,751**	7,084
	14.1%	5,412	5,590	5,787	6,008	6,256

Basis the above, Equity Value of RPAL is in the range of INR 6,751 million to INR 7,990 million.

Key assumptions in Scenario Analysis:

a) Growth in revenue is considered to be basis the consensus revenue forecast of the comparable companies for the projected period.

b) EBITDA margins during the forecast period have been considered to be average of historical period from FY 2020 to FY 2024

c) Capex during the projected period is considered to be the same as projected by the Management.

d) Net Working Capital (NWC) for the projected period is based on historical NWC as a % of revenue from FY 2020 to FY 2024

e) Weighted Average Cost of Capital (WACC) for management case has been considered to be 15.7% and scenario analysis is considered to be 12.1%. (Refer III below)

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

III) Weighted Average Cost of Capital (WACC)

WACC calculation		
Particulars	Management Case	Scenario Analysis
Risk-free rate (%)	7.1%	7.1%
Beta	0.96	0.96
Equity market risk premium (%	7%	7.0%
Additional risk premium (%)	5%	0.00%
Cost of equity capital (%)	***18.8%***	***13.8%***
Debt borrowing rate (%)	9.9%	9.9%
Expected income tax rate (%)	25.17%	25.17%
After-tax cost of debt (%)	**7.4%**	**7.4%**
Debt to Capital %	27%	27%
Equity to Capital %	73%	73%
WACC	**15.7%**	**12.1%**

IV) Market Approach – CoCo Analysis

Particulars	EV/ EBITDA
Ramkrishna Forgings Limited	17.8x
NRB Bearings Limited	17.0x
Kalyani Forge Limited	11.3x
Bharat Gears Limited	11.6x
GMB Corporation	5.7x
NSK Ltd.	8.9x
Taiho Kogyo Co., Ltd.	6.3x
Quartile 1 Multiple	**7.6x**
Quartile 2 Multiple	**11.3x**

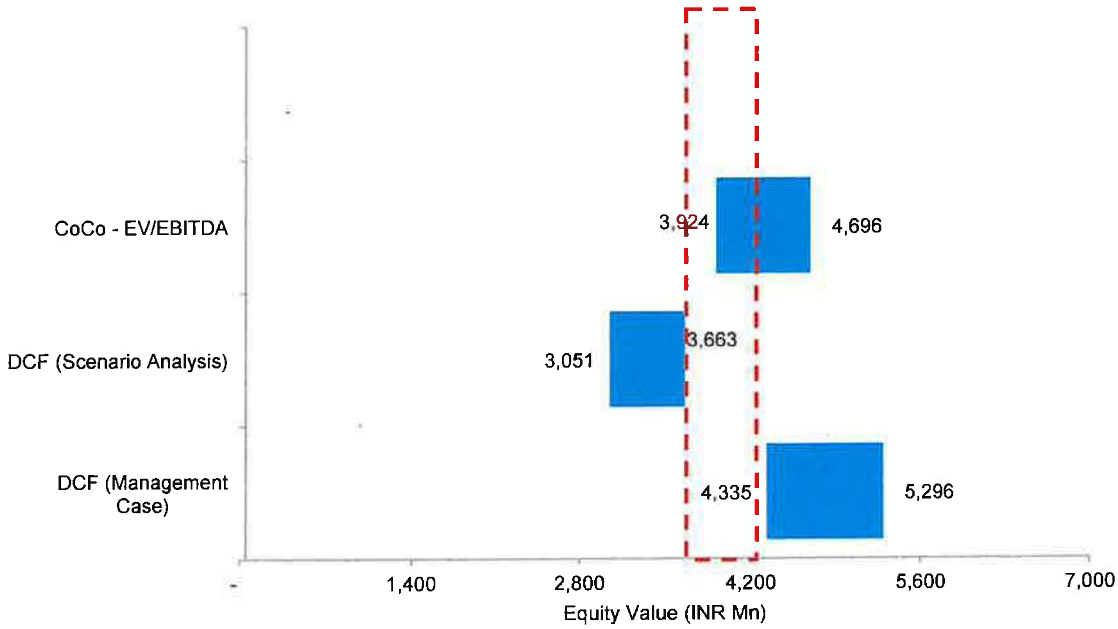
Particulars	Quartile 1	Quartile 2
RPAL EBITDA Metric - March 24	847	847
EV/ EBITDA Multiple	7.6x	11.3x
Enterprise Value	**6,417**	**9,596**
Less: Debt and debt-like	(6,020)	(6,020)
Less: Unpaid Dividend	(0)	(0)
Add: Cash and cash equivalents & Su	7,184	7,184
Less: Contingent liabilities	(1)	(1)
Equity value	**7,580**	**10,760**

Basis the above, equity value of RPAL is in the range of INR 7,580 million to INR 10,760 million.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

Annexure 3: Valuation Analysis – Engineering Business

Part A: Summary of Valuation Range for JKFEL:



Basis the above, Equity Value of JKFEL (excluding RPAL) is in the range of INR 3,600 million to INR 4,300 million.

Note: In order to arrive at equity value of JKFEL, the 0.01% Non-Convertible Redeemable Preference Shares (RPS) have been considered as part of debt. Further, we understand from the Management that the NewCo1 will issue one RPS for each RPS hold by the existing holders of RPS in JKFEL.

Part B: Valuation of Engineering Business

Particulars		Amount (INR Mn)
Equity Value	Low	3600
Equity Value	High	4300
Equity Value (Excluding RPAL)	**Average**	**3950**
RPAL Value	**89.07%**	**6,903**
Concluded Equity Value		**10,853**
No. of shares on fully diluted basis (in Mn)		52.4
Equity Value/ Share (INR)		**206.9**

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

Part C: The workings for each of the scenario presented above is give below:

I) DCF analysis – Management Case

Discounted cash flow		2025	2026	2027	2028	2029	TY
FYE 31 March INR million		12 months	12 months	12 months	12 months	12 months	12 months
Revenue		**5,474**	**6,504**	**7,229**	**7,865**	**8,595**	**9,025**
y-o-y growth			*18.8%*	*11.2%*	*8.8%*	*9.3%*	*5.0%*
EBITDA	[A]	546	722	874	945	1,038	1,089
EBITDA margin (%)		*10.0%*	*11.1%*	*12.1%*	*12.0%*	*12.1%*	*12.1%*
Less: Depreciation		(135)	(198)	(237)	(258)	(263)	(277)
EBIT		411	524	637	686	775	812
EBIT margin (%)		*7.5%*	*8.1%*	*8.8%*	*8.7%*	*9.0%*	*9.0%*
Less: Taxes on EBIT	[B]	(129)	(201)	(232)	(248)	(275)	(204)
(Increase)/decrease in net working capital	[C]	(106)	(150)	(114)	(99)	(96)	(67)
Less: Net Cosolidation Benefit/ (Expenses on account of shift of plant)		49	95	317	317	317	-
Less: Capital expenditure	[D]	(1,381)	(440)	(472)	(150)	(150)	(277)
Free cash flow to the firm [E] = [A] + [B] + [C] + [D		**(1,021)**	**26**	**374**	**766**	**834**	**541**
Period factor - mid year discounting		0.500	1.500	2.500	3.500	4.500	4.500
Discount factor - mid year discounting	[F]	0.941	0.834	0.739	0.655	0.581	0.581
Present value of cash flow to the firm [E] * [F]		**(961)**	**22**	**276**	**502**	**484**	**314**

Summary of value	
INR million	
Primary value	323
Terminal value	4,010
Add: PV of tax benefits	-
Enterprise value	**4,333**
Less: Debt and debt-like	(3,539)
Less: Minority Interest	(28)
Add: Cash and cash equivalents	18
Add: Investment in SEPL	2
Add: Inter Corporate Deposits	4,010
Less: Contingent liabilities	(14)
Equity value	**4,781**

Assumptions	
WACC	12.8%
Alpha	0.00%
Perpetuity assumptions	
Terminal growth	5.00%
EBITDA Margin	12.1%
Tax Rate	25.2%

Equity value sensitivity - INR million		Terminal growth				
		4.0%	4.5%	**5.0%**	5.5%	6.0%
WACC	10.8%	5,894	6,252	6,673	7,172	7,774
	11.8%	5,040	**5,296**	5,589	5,928	6,325
	12.8%	4,380	4,568	**4,781**	5,023	5,300
	13.8%	3,854	3,997	4,157	**4,335**	4,536
	14.8%	3,426	3,537	3,659	3,794	3,945

Basis the above, equity value of JKFEL is in the range of INR 4,335 million to INR 5,296 million.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

II) DCF Analysis – Scenario Analysis

Discounted cash flow		2025	2026	2027	2028	2029	TY
FYE 31 March		**2025**	**2026**	**2027**	**2028**	**2029**	**TY**
INR million		**12 months**	**12 months**	**12 months**	**12 months**	**12 months**	**12 months**
Revenue		**5,474**	**6,504**	**7,229**	**7,865**	**8,595**	**9,025**
y-o-y growth			*18.8%*	*11.2%*	*8.8%*	*9.3%*	*5.0%*
EBITDA	[A]	442	627	697	759	829	871
EBITDA margin (%)		*8.1%*	*9.6%*	*9.6%*	*9.6%*	*9.6%*	*9.6%*
Less: Depreciation		(135)	(198)	(237)	(258)	(263)	(277)
EBIT		307	429	460	500	566	594
EBIT margin (%)		*5.6%*	*6.6%*	*6.4%*	*6.4%*	*6.6%*	*6.6%*
Less: Taxes on EBIT	[B]	(88)	(121)	(187)	(201)	(223)	(150)
(Increase)/decrease in net working capital	[C]	(29)	(151)	(107)	(93)	(107)	(63)
Less: Net Cosolidation Benefit/ (Expenses on account of shift of plant)		49	95	317	317	317	-
Less: Capital expenditure	[D]	(1,381)	(440)	(472)	(150)	(150)	(277)
Free cash flow to the firm [E] = [A] + [B] + [C] + [D		**(1,006)**	**10**	**249**	**632**	**666**	**381**
Period factor - mid year discounting		0.500	1.500	2.500	3.500	4.500	4.500
Discount factor - mid year discounting	[F]	0.941	0.834	0.739	0.655	0.581	0.581
Present value of cash flow to the firm [E] * [F]		**(947)**	**9**	**184**	**414**	**387**	**222**

Summary of value	
INR million	
Primary value	46
Terminal value	2,829
Add: PV of tax benefits	-
Enterprise value	**2,875**
Less: Debt and debt-like	(3,539)
Less: Minority Interest	(19)
Add: Cash and cash equivalents	18
Add: Investment in SEPL	2
Add: Inter Corporate Deposits	4,010
Less: Contingent liabilities	(14)
Equity value	**3,333**

Assumptions	
WACC	12.83%
Alpha	0.00%
Perpetuity assumptions	
Terminal growth	5.00%
EBITDA Margin	9.6%
Tax Rate	25.2%

Equity value sensitivity - INR million		Terminal growth				
		4.0%	4.5%	**5.0%**	5.5%	6.0%
WACC	11%	4,034	4,328	4,672	5,080	5,573
	12%	3,444	**3,658**	3,904	**4,189**	4,523
	13%	2,987	3,149	**3,333**	3,541	3,780
	14%	2,622	**2,749**	2,890	**3,048**	3,226
	15%	2,325	2,426	2,537	2,660	2,797

Basis the above, equity value of JKFEL is in the range of INR 3,048 million to INR 3,658 million.

Key assumptions in Scenario Analysis:

- Growth in revenue is considered to be the same as projected by the Management.
- EBITDA margins for FY25 is considered to be 8.1% based on FY22 to FY24 average margins. FY24 margins are lower on account of dip in export business. EBITDA margins for FY26 onwards is considered to be 9.6% based on FY22 to FY23 average margins pertaining to Engineering Business.
- Capex during the projected period is considered to be the same as projected by the Management.

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

- Net Working Capital (NWC) for the projected period is based on historical NWC as a % of revenue.
- Weighted Average Cost of Capital (WACC) for both management case and scenario analysis is considered to be 12.8%. (Refer III below)

III) Weighted Average Cost of Capital (WACC)

WACC calculation		
Particulars	Management Case	Scenario Analysis
Risk-free rate (%)	7.1%	7.1%
Beta	0.88	0.88
Equity market risk premium (%)	7.0%	7.0%
Cost of equity capital (%)	***13.3%***	***13.3%***
Debt borrowing rate (%)	9.9%	9.6%
Expected income tax rate (%)	25.2%	25.2%
After-tax cost of debt (%)	**7.4%**	**7.4%**
Debt to Capital %	7.5%	7.5%
Equity to Capital %	92.5%	92.5%
WACC	**12.8%**	**12.8%**

IV) Market Approach – CoCo Analysis

Particulars	EV/ EBITDA
Techtronic Industries Company Limited	18.4x
Makita Corporation	11.1x
KPT Industries Limited	11.1x
Birla Precision Technologies Limited	16.6x
Snap-on Incorporated	10.5x
Quartile 1	**11.1x**
Quartile 2	**11.1x**

Particulars	EV/ EBITDA	
Maintainable EBITDA	347	347
EV/EBITDA Multiple	10.0x	12.3x
Enterprise Value	**3,475**	**4,248**
Less: Debt and debt-like	(3,539)	(3,539)
Less: Minority Interest	(28)	(28)
Add: Cash and cash equivalents	18	18
Add: Investment in SEPL	2	2
Add: Inter Corporate Deposits	4,010	4,010
Less: Contingent liabilities	(14)	(14)
Equity Value	**3,924**	**4,696**

Notes:

1. *In order to arrive at maintainable EBITDA, we have considered historical EBITDA margins from FY22 to FY24 and applied it on FY24 revenue.*
2. *As the Quartile 1 & Quartile 2 multiples are similar, we have considered a sensitivity of -/+10% on the Quartile 2 EV/EBITDA Multiple to arrive the EV/ EBITDA Multiple in the range of 10.0x – 12.3x thus arriving at equity value range of INR 3,924 million and INR 4,696 million.*

KPMG VALUATION SERVICES LLP 15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.

KPMG

Annexure 4: Valuation: CCPS- Series A and CCPS – Series B

Reconciliation of Eligible Shareholders - MPPL stake in NewCo1:

Particulars	Total	CCPS - Series A	CCPS - Series B
No. of CCPS to be issued - **A**	285,000	140,000	145,000
Conversion Ratio (calculated as per Monte Carlo Simulation) - **B**		0.48	0.48
No. of Equity Shares basis conversion ratio - C = A*B	**136,800**	**67,200**	**69,600**
Equity Shares issued - **D**	9,900,000		
Total No. of Equity Shares on fully diluted basis - E = C + D	**10,036,800**		
No. of shares with Eligible Shareholders - MPPL basis 28.5% stake - **F**	2,821,500		
Total No. of shares with Eligible Shareholders - MPPL on fully diluted basis - **G = C + F**	2,958,300		
Eligible Shareholders - MPPL stake on fully diluted basis - G / E	**29.5%**		

KPMG VALUATION SERVICES LLP
15th and 16th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai-400063.