



TECHNOCRAFT
INDUSTRIES (INDIA) LTD.

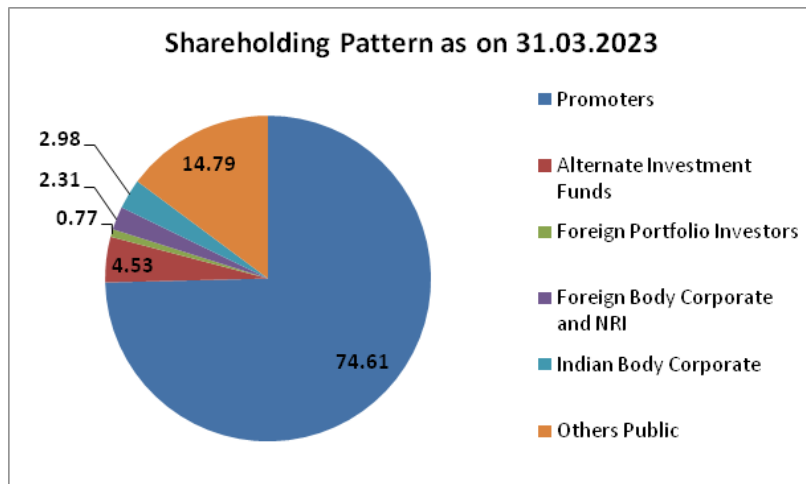
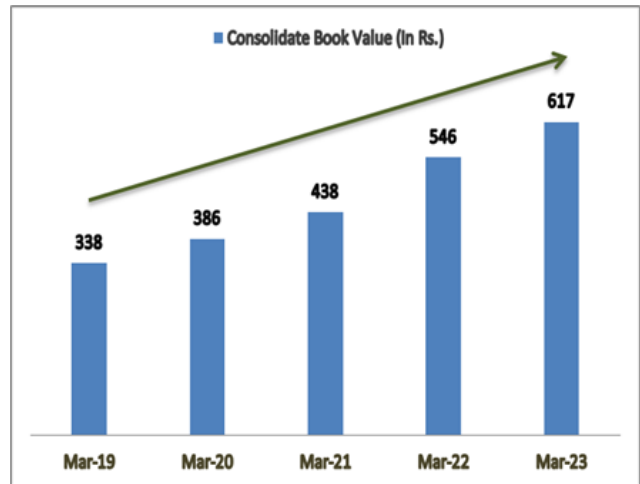
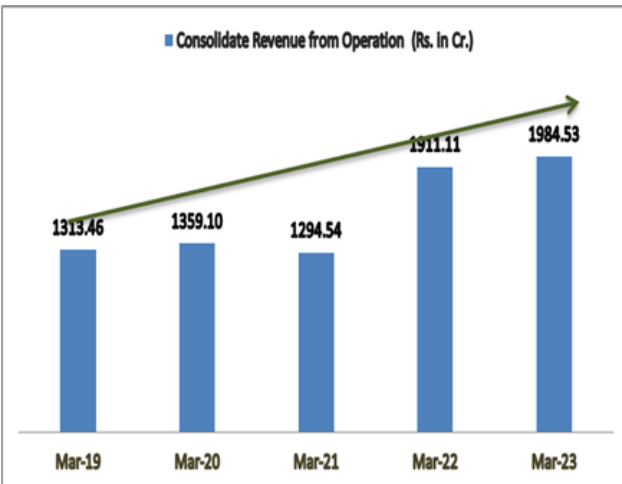
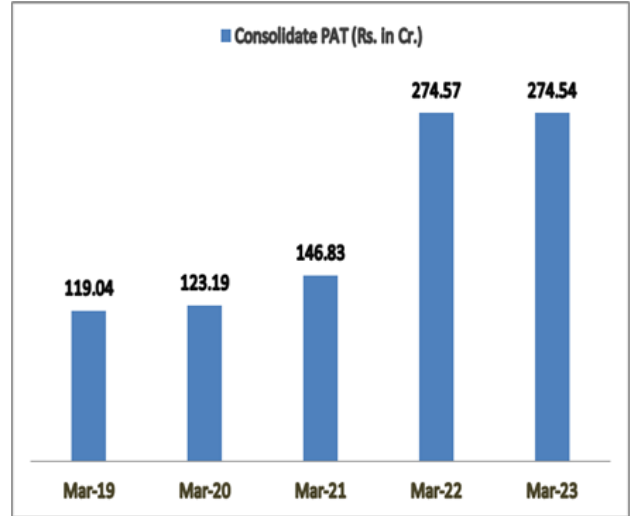
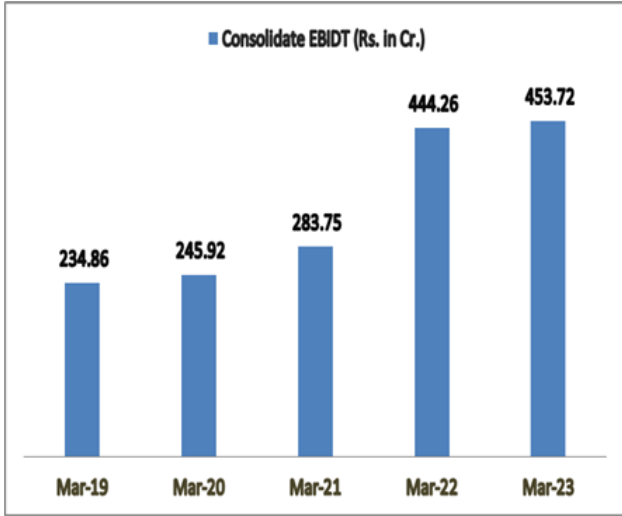
CELEBRATING
50
Years



Annual Report 2022 - 23

www.technocraftgroup.com

FINANCIAL SNAPSHOT 2022-23





GENERAL INFORMATION

BOARD OF DIRECTORS

| | |
|---------------------------|----------------------------------|
| Dr. Sharad Kumar Saraf | Chairman & Managing Director |
| Mr. Sudarshan Kumar Saraf | Co- Chairman & Managing Director |
| Mr. Navneet Kumar Saraf | Whole-time Director & CEO |
| Mr. Ashish Kumar Saraf | Whole-time Director &CFO |
| Mr. Atanu Chaudhary | Whole-time Director |
| Mr. Vinod B. Agarwala | Independent Director |
| Mr. Jagdeesh Mal Mehta | Independent Director |
| Mr. Vishwambhar C. Saraf | Independent Director |
| Mr. Aubrey I. Rebello | Independent Director |
| Ms. Vaishali Choudhari | Independent Director |

COMPANY SECRETARY

Mr. Neeraj Rai

AUDITORS

M/s. M. L. Sharma & Co.,
Chartered Accountants, Mumbai

REGISTERED OFFICE

Technocraft House, A-25, Road No. 3,
MIDC Industrial Estate,
Andheri (E), Mumbai, 400093
www.technocraftgroup.com

CIN:L28120MH1992PLC069252

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited

C 101, 247 Park, L.B.S.Marg,
Vikhroli (West),
Mumbai - 400083

| Contents | Page No. |
|---|----------|
| Notice of Annual General Meeting | 2 |
| Board's Report | 10 |
| Secretarial Audit Report | 21 |
| Corporate Governance Report | 33 |
| Management Discussion & Analysis Report | 57 |
| Business Responsibility & Sustainability Report | 65 |
| Standalone Auditors' Report | 98 |
| Standalone Financial Statements | 110 |
| Consolidated Auditors' Report | 180 |
| Consolidated Financial Statements | 188 |
| Salient features of Subsidiaries(AOC-1) | 259 |



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31st Annual General Meeting of the Members of the Technocraft Industries (India) Limited will be held on Wednesday, September 27, 2023 at 11:30 a.m. (IST) via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolutions as **Ordinary Resolution**:
 - (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors and Auditors thereon presented before this meeting, be and are hereby considered and adopted."
 - (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2023 together with the reports of Auditors thereon presented before this meeting, be and are hereby considered and adopted."
2. To appoint Mr. Navneet Kumar Saraf, who retires by rotation as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Navneet Kumar Saraf (holding DIN : 00035686), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."
3. To appoint Mr. Sudarshan Kumar Saraf, who retires by rotation as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sudarshan Kumar Saraf (holding DIN : 00035799) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2023 and in this regard, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any amendments thereto or any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s NKJ & Associates, Cost Accountants, (Firm Registration No.101893) who was appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2023-24, amounting to ₹ 75,000/- (Rupees Seventy Five thousand only) as also the payment of tax as applicable and re-imbursalment of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Registered Office:

Technocraft House, A-25, Road No.3,
MIDC Industrial Estate, Andheri (East),
Mumbai 400093.
CIN L28120MH1992PLC069252
Tel. No: + 91 22 4098 2222
www.technocraftgroup.com

**By Order of the Board
For Technocraft Industries (India) Limited**

Place: Mumbai
Date: August 11, 2023

**Neeraj Rai
Company Secretary**



NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 4 of the Notice is annexed hereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020, dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No.02/2022 dated May 5, 2022, Circular No. 19/2021 dated 08th December,2021, Circular No. 21/2021 dated 14th December,2021 and Circular No. 10/2022 dated 28th December, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 31stAGM will be the registered office of the Company.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. 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. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the MCA Circulars and SEBI Circular, the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM has been uploaded on the website of the Company at www.technocraftgroup.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsd.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
9. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on September 23, 2023 at 9:00 A.M. and ends on September 26, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 20, 2023,



may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 20, 2023.






How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 10px;">  <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <p> </p> </div> |



| | |
|--|---|
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to CDSL Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on login icon & New System Myeasi tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at no.: 022-48867000 and 022-24997000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

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/OTP and a Verification Code as shown on the screen.



Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.



Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- (i) After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (ii) Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
- (iii) Now you are ready for e-Voting as the Voting page opens.
- (iv) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- (v) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (vi) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (vii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@technocraftgroup.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@technocraftgroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against



company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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 mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@technocraftgroup.com. The same will be replied by the company suitably.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csniteshjain@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Prajakta Pawle at evoting@nsdl.co.in.
4. Members who would like to express their views/ask questions during the 31st AGM with regard to any matter to be placed at the ensuing AGM need to pre-register themselves as speaker by sending a request from their registered email address mentioning their name, DP ID and client ID number/folio number and mobile number, to reach the company Email address at investor@technocraftgroup.com at least 7 days in advance before the start of the meeting. Those members who have pre-registered themselves as a speaker will be allowed to express their view/ask questions during the 31st AGM, depending upon the availability of time.
5. When a registered speaker is invited to speak at the meeting, but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with a good internet speed.
6. The Company reserves a right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the 31st AGM.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/ firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.



On recommendation of the Audit Committee at its meeting held on May 29, 2023 the Board has considered and approved appointment of M/s NKJ & Associates, Cost Accountants having Registration No.101893, for the conduct of the Cost Audit of the Company at a remuneration of ₹ 75,000 plus tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on March 31, 2024.

The Board of Directors of the Company recommends the Ordinary Resolution as set out in the Notice for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested in the proposed Resolution as set out in the Notice.

Registered Office:

Technocraft House, A-25, Road No.3,
MIDC Industrial Estate, Andheri (East),
Mumbai 400093.
CIN L28120MH1992PLC069252
Tel. No: + 91 22 4098 2222
www.technocraftgroup.com

**By Order of the Board
For Technocraft Industries (India) Limited**

Place: Mumbai
Date: August 11, 2023

**Neeraj Rai
Company Secretary**

ANNEXURE TO THE NOTICE

Details of Directors seeking re-appointment/appointment at the Annual General Meeting in pursuance of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| Name of the Directors | Mr. Sudarshan Kumar Saraf | Mr. Navneet Kumar Saraf |
|---|--|---|
| Date of Birth | June 07, 1949 | September 21, 1977 |
| Age | 74 Years | 45 Years |
| Date of Appointment | 28th October, 1992 | 6th February, 2015 |
| DIN | 00035799 | 00035686 |
| Expertise in specific functional areas | He has over 2decade of experience in the Engineering operations, production, process improvement of the Company. | He has over 23 years of experience for managing domestic as well as overseas, operation of engineering and I.T. Operations. Technology matters and Business Administration. |
| No. of equity shares held in TIIL | 64,32,349individually and 70,807 as Karta of HUF | 13,37,685 |
| Qualifications | Mechanical Engineering from the prestigious Indian Institute of Technology, Bombay | Bachelor in Mechanical Engineering from University of Manchester, United Kingdom |
| List of other directorships in listed entities (Other than TIIL) | NIL | TCI Industries Limited |
| Membership/ Chairman of Committees of the other listed entities (Other than TIIL) | NIL | NIL |
| Relationships, if any, between Directors inter-se | Mr. Sudarshan Kumar Saraf is a brother of Mr. Sharad Kumar Saraf and father of Mr. NavneetKumar Saraf | Mr. Navneet Kumar Saraf is a Son of Mr. Sudarshan Kumar Saraf. |



BOARD'S REPORT

To,
The Members,

Your Directors have pleasure in presenting, Thirty-First Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended March 31, 2023.

Financial highlights

(₹ in Lakhs)

| Particulars | Standalone | | Consolidated | |
|--|--------------------|--------------------|-------------------|--------------------|
| | 2022-23 | 2021-22 | 2022-23 | 2021-22 |
| Revenue from operations | 1,82,509.02 | 1,66,690.09 | 1,98,453.19 | 1,91,110.50 |
| Other Income | 5,139.82 | 4,386.52 | 5,036.81 | 4,744.60 |
| Total Income | 1,87,648.84 | 1,71,076.61 | 2,03,490.0 | 1,95,855.10 |
| Earnings before Interest, Depreciation and Tax (EBITA) | 32,387.03 | 36,422.84 | 45,372.27 | 44,425.80 |
| Less: Finance costs | 2,251.96 | 1,662.92 | 2,793.22 | 2,127.09 |
| Depreciation | 5,359.51 | 5,526.12 | 6,401.54 | 6,291.36 |
| Profit before tax from continuing operations | 24,775.56 | 29,233.80 | 36,177.51 | 36,007.35 |
| Less: Tax expense | 6,131.97 | 7,048.60 | 8,723.24 | 8,550.48 |
| Profit after tax from continuing operations | 18,643.59 | 22,185.20 | 27,454.27 | 27,456.87 |
| Net profit / (loss) for the period from discontinued operations after tax | 374.16 | (11.78) | 374.16 | (11.78) |
| Net profit / (loss) for the period from continuing & discontinued operations after tax | 19,017.75 | 22,173.42 | 27,828.43 | 27,445.09 |
| Add: Other comprehensive income | 19.91 | (215.88) | -569.56 | (378.1) |
| Total comprehensive income carried to other equity | 19,037.66 | 21,957.54 | 27,258.87 | 27,066.99 |

Dividend

During the Financial Year under review, no dividend was declared. The Company has adopted the Dividend Distribution Policy which is available on https://technocraftgroup.com/pdf/Dividend_Distribution_Policy_TIIL.pdf

Buy-Back of Shares

During the Financial Year the Company has completed buy- back of 15,00,000 fully paid-up equity shares of face value of ₹ 10/- each at a price of ₹ 1,000/- per Equity Share through the tender offer process, on February 21, 2023 pursuant to the provisions of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, and the Companies Act, 2013.

Reserves

During the year ₹ 150 Crores is proposed to transfer from General Reserve to Capital Redemption Reserve. After the said adjustment as on March 31, 2023 General Reserve is ₹ 12,007.44 Lakhs.

The closing balance of the reserve and Surplus of the Company for financial year 2023, after all appropriation and adjustments was ₹1,15,591.83 Lakhs.

Operations

During the year under review the Company has closed the year with total standalone revenue of ₹1,82,509.09 Lakhs is up by 9.49%. On Consolidated basis the total revenue is ₹1,98,453.19 Lakhs, which is up by 3.84%.

Standalone EBITDA stood at ₹32,387.03 Lakhs, compared to ₹36,422.84 Lakhs, of previous year. Consolidated EBITDA improved to ₹45,327.27 Lakhs compared to ₹44,425.80 Lakhs, which is up by 2.13%.



The Company is a multi-product manufacturing company it manufactures high precision and sophisticated products, mainly for discerning worldwide markets. The Company enjoys a significant position in five main business industries viz., Drum Closures, Scaffolding systems, Cotton Yarn, Fabric, Garments and Engineering Services.

The product line of the Company expands beyond Drum Closures into Scaffolding and 100% Cotton Yarn, Fabric and Garments.

The Cotton Yarn division uses the most modern equipment to manufacture its product assuring world-class quality to its customer. Technocraft is certified ISO 9001:2000 for its Cotton Yarn division.

The Company has diversified operations and manufacturing including, vertically Integrated Textile division of manufacturing of Yarn, Fabric, Garments, it has facility of producing cotton yarn, mélange yarn, also having facility of knitting, dyeing and printing and garmenting.

The Drum Closures, Scaffolding, Yarn & Garment divisions are located at Murbad, District Kalyan, Maharashtra and one Yarn Manufacturing Unit is located at Amravati, Maharashtra. The Company is also having manufacturing facility of drum closures and scaffolding at China.

Employee Stock Option Scheme (ESOP)

Your Company does not have any Employee Stock Option Scheme (ESOP).

Deposits

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information relating to the Conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under the Companies (Accounts) Rules, 2014, is given in Annexure-I forming part of this Report.

Statutory Auditors

Statutory Auditors of the Company is M/s. M. L. Sharma & Co.,Chartered Accountants, Mumbai.

At the 30th Annual General Meeting of the Company, M/s. M. L. Sharma & Co.,Chartered Accountants, was appointed as the Statutory Auditors of the company, to hold office for a term of five consecutive years from the conclusion of the 30th Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2027.

Auditors' Report

The Auditors' Report to the Members on the Accounts of the Company for the financial year ended March 31, 2023 does not contain any qualification, reservation or adverse remark.

Secretarial Audit

Secretarial Audit for the financial year 2022-23 was conducted by M/s Pramod Jain & Co, Company Secretaries in practice in accordance with the provisions of Section 204 of the Act. The secretarial auditor's report is attached to this report as Annexure-II. There are no qualifications or observations or remarks made by the secretarial auditor in his report.

Cost Audit

In compliance with the provisions of Section 148 of the Act, the Board of Directors of the Company at its meeting held on May 29, 2023 has appointed M/s NKJ & Associates, Cost Accountant as Cost Auditors of the Company for the Financial Year 2023-24.

The Company has made and maintained the cost records for the Financial Year ended March 31, 2023, as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and the said cost records were audited by M/s NKJ & Associates, Cost Accountant as Cost Auditors of the Company.



In terms of the provisions of Section 148 (3) of the Act read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors has to be ratified by the members. Accordingly, necessary resolution shall be proposed at the ensuing AGM for ratification of the remuneration payable to the Cost Auditors for Financial Year 2023-24.

Particulars of Loans, Guarantees or Investments

Particulars of loans, guarantees and investments made during the year as required under the provisions of Section 186 of the Act are given in the notes to the standalone financial statements, forming part of the Annual Report.

Also, pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (hereinafter as the “SEBI Listing Regulations”), particulars of loans/ advances given to subsidiaries have been disclosed in the notes to the standalone financial statements, forming part of the Annual Report.

Subsidiaries Companies, Associate Companies and Joint Ventures:

As on March 31, 2023 there were 20 subsidiaries of the Company:

Direct Indian subsidiaries:

1. Technosoft Engineering Projects Limited (“TEPL”)
2. Technocraft Tabla Formwork Systems Private Limited
3. Techno Defence Private Limited
4. Shivale Infraproducts Private Limited
5. Technocraft Fashions Limited
6. Technocraft Textiles Limited
7. Technocraft Formworks Private Limited (Previously known as Technomatic Packaging Private Limited)
8. Technocraft Specialty Yarns Limited

Direct foreign subsidiaries:

9. Technocraft International Limited, UK (WOS of the Company) (“TIL-UK”)
10. Technocraft Trading Spolka Zoo, Poland (WOS of the Company)
11. Anhui Reliable Steel Technology Co Ltd, China (WOS of the Company)
12. Technocraft NZ Limited, New Zealand (WOS of the Company)

Step down subsidiaries:

13. Technosoft Engineering, Inc, USA (WOS of TEPL) (“TEI-USA”)
14. Technosoft Engineering UK Ltd, UK, (WOS of TEPL)
15. Technosoft GMBH, Germany, (Subsidiary of TEPL)
16. Technosoft Integrated Solutions Inc, (Subsidiary of TEPL) w.e.f 16/11/2022.
17. Highmark International Trading FZE, UAE (WOS of TIL-UK) (“HITF-UAE”)
18. AAIT / Technocraft Scaffold Distribution LLC, USA (Subsidiary of TIL-UK).
19. Technosoft Innovations INC, USA (WOS of TEI-USA)
20. Technosoft Services, INC, USA (WOS of TEI-USA)

During the year under review Technocraft Specialty Yarns Limited and Technosoft Integrated Solutions Inc. Canada, have become the new subsidiaries. Financials of Technosoft Integrated Solutions Inc. are not consolidated into the consolidated financial statement for the current financial year ended on 31.03.2023.

Associate/Joint Venture:

During the Financial Year under review, your Company had one joint venture namely, Benten Technologies LLP as 50:50 percentage.

Except the above no other company has become/ceased to be a subsidiary, joint venture or associate during the financial year 2022-23.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of each of the subsidiary in the prescribed form AOC-1 is annexed to the Annual Report the financial statements of the subsidiaries



are kept for inspection by the shareholders at the Registered Office of the Company. The said financial statements of the subsidiaries are also available on the website of the Company www.technocraftgroup.com under the Investors Section.

As required under Rule 8 of the Companies (Accounts) Rules, 2014 the highlights of performance of subsidiaries and their contribution to the overall performance of the company during the period are duly explained in the form AOC-1 read with consolidated financial statement, annexed to the Annual Report.

The Company has also formulated a policy for determining material subsidiaries, which is uploaded on the website of the Company i.e. www.technocraftgroup.com and can be accessed at <http://www.technocraftgroup.com/pdf/Policy-For-Determining-Material-Subsidiary-Companies.pdf>

Consolidated Financial Statements

Your directors have pleasure in attaching the consolidated financial statements pursuant to section 129(3) of the Act and SEBI Listing Regulations and prepared in accordance with the Accounting Principles generally accepted in India including the Indian Accounting Standards specified under Section 133 of the Act.

In accordance with the Section 129(3) of the Act, the audited consolidated financial statements are provided in this Annual Report.

Corporate Governance

Your Company is in compliance with the Corporate Governance guidelines, as laid out in the SEBI Listing Regulations.

As per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from M/s. Pramod Jain & Co. Company Secretaries, confirming compliance forms an integral part of this Report.

The Annual Report of the Company contains a certificate by the Chief Executive Officer in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and the Senior Management personnel and a Certificate by M/s. Pramod Jain & Co. Company Secretaries, who have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance, as required under SEBI Listing Regulations.

Internal Control systems and their Adequacy

The Company has Internal Control Systems, commensurate with the size, scale and complexity of its operations. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, accounting procedures and policies within the Company. Based on the report of internal audit function, process owners undertake corrective action in respective areas and thereby strengthen the controls. Significant observations and corrective actions thereon are presented to the Audit Committee from time to time.

Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Act.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, Annual Return of the Company is/ shall be available on the Company's website on <http://technocraftgroup.com/Annual-Return.aspx>

Share Capital

During the financial year the Company has bought back 15,00,000 Equity Shares of ₹ 10/- each after considering the same as on March 31, 2023 the Share Capital of the Company is ₹ 22,96,16,870/- consisting of 2,29,61,687 Equity Shares of ₹ 10/- each.



During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2023, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

Directors and Key Managerial Personnel

As per the provisions of Section 152 of the Act, Mr. Sudarshan Kumar Saraf, Co-Chairman and Managing Director and Mr. Navneet Kumar Saraf, CEO and Whole-Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations.

Details of the director seeking appointment at the Annual General Meeting, as required in terms of Regulation 36(3) of the SEBI Listing Regulations is provided in the annexure to the explanatory statement to the notice.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Dr. Sharad Kumar Saraf, Chairman & Managing Director, Mr. Sudarshan Kumar Saraf, Co-Chairman & Managing Directors, Mr. Navneet Kumar Saraf, CEO & Whole-time Director, Mr. Ashish Kumar Saraf, Whole-time Director & Chief Financial Officer, Mr. Atanu Choudhary, Whole-time Director and Mr. Neeraj Rai, Company Secretary of the Company. There was no change in the Key Managerial Personnel during the period under review.

The Remuneration and other details of Key Managerial Personnel for the financial year ended March 31, 2023 are mentioned in the Corporate Governance Report, forming part of this report.

Meetings of the Board of Directors

The Board of Directors of your Company met 4 (four) times during 2022-23. The Meetings were held on May 27, 2022, August 10, 2022, November 14, 2022 and February 8, 2023. The time gap between any two consecutive meetings are in compliance with the provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Committee

As on March 31, 2023 the Audit Committee comprised of five Independent Directors namely Mr. Vinod Agarwala (Chairman), Mr. Aubrey Rebello, Mr. Jagdeesh Mal Mehta, Mr. Vishwambhar C. Saraf and Ms. Vaishali Choudhari, all the recommendations made by the Audit Committee were accepted by the Board.

Whistle Blower Policy/ Vigil Mechanism

In Compliance with the provisions of Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations the company has a Whistle Blower Policy (the "WB Policy") with a view to provide vigil mechanism to directors, employees and other stakeholders to disclose instances of wrongdoing in the workplace and report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The WB Policy also states that this mechanism should also provide for adequate safeguards against victimization of director(s)/ employees who avail of the mechanism and also provide for direct access to the chairman of the audit committee in exceptional cases. The whistle blower policy has been posted on the website of the company at the link <http://www.technocraftgroup.com/pdf/Whistle-Blower-Policy.pdf>.

Nomination and Remuneration Committee

As on March 31, 2023, the Nomination and Remuneration Committee comprised of five Independent Directors namely Mr. Vishwambhar C. Saraf - (Chairman), Mr. Vinod Agarwala, Mr. Jagdeesh Mal Mehta, Ms. Vaishali Choudhari and Mr. Aubrey Rebello, members of the committee.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company and the Remuneration Policy of the Company is attached to the Board's Report as Annexure-III.



Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Act a Corporate Social Responsibility (CSR) Committee was constituted. As at March 31, 2023, the CSR Committee comprised of two Executive Directors and one Independent Director namely Dr. Sharad Kumar Saraf, Mr. Sudarshan Kumar Saraf and Ms. Vaishali Choudhari.

Corporate Social Responsibility Policy recommended by CSR Committee of the Directors has been approved by the Board of Directors of the Company. The same is available on the website of the Company i.e. www.technocraftgroup.com and also attached to this Report as Annexure-IV.

The disclosure relating to the amount spent on Corporate Social Responsibility activities of the Company for the financial year ended March 31, 2023 is attached to this Report as Annexure-V.

Risk Management Committee (RMC)

Pursuant to Regulation 21 of SEBI LODR Regulation 2015 a Risk Management Committee (RMC) was constituted. As at March 31, 2023, the RMC Committee comprised of two Executive Directors and one Independent Director namely Dr. Sharad Kumar Saraf, Mr. Sudarshan Kumar Saraf and Mr. Vishwambhar C. Saraf.

Transfer of unclaimed / unpaid dividend to Investor Education and Protection Fund (IEPF)

In accordance with the provisions of Sections 124, 125 and other applicable provisions, if any, of the Companies Act, 2013, read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF, maintained by the Central Government. In pursuance of this, the dividend remaining unclaimed or unpaid in respect of dividends declared upto the financial year ended March 31, 2016 have been transferred to the IEPF. The details of the unclaimed dividends so transferred are available on the Company's website, www.technocraftgroup.com and in the website of the Ministry of Corporate Affairs at www.mca.gov.in

In accordance with Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the demat account of the IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial years ended March 31, 2016 and remained unpaid or unclaimed were /will be transferred to the IEPF. The details of such shares transferred have been uploaded in the Company's website www.technocraftgroup.com.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form IEPF -5 (available on www.iepf.gov.in)

Particulars of contracts or arrangements with related parties

All related party transactions entered during the year were in the ordinary course of business and on an arm's length basis.

All transactions with Related Parties are placed before the Audit Committee as also before the Board for approval, if required. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are foreseeable and of a repetitive nature. The transactions entered into pursuant to the approvals so granted are subjected to audit and a statement giving details of all related party transactions is placed before the Audit Committee on a quarterly basis. The statement is supported by a certificate from the CFO.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website and can be seen at the link <https://www.technocraftgroup.com/pdf/Policy-On-Related-Party-Transactions.pdf>

All transactions entered into with related parties during the year were on arm's length basis and were in the ordinary course of business. The details of the material related party transactions entered into during the year as per the policy on Related Party Transactions approved by the Board have been reported in Form AOC-2 annexed to the Directors' Report as Annexure-VI.



Further the details of the transactions with related parties are provided in the Company's financial statements in accordance with the Accounting Standards.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on website of the Company at the link:<http://www.technocraftgroup.com/pdf/Policy-On-Related-Party-Transactions.pdf>

Particulars of Employees and other additional information

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, form part of this Report and are annexed as Annexure-VII.

The information as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided on the request by any member of the Company. In terms of Section 136 (1) of the Companies Act, 2013, the Report and the Accounts are being sent to the members excluding the said Annexure. Any member interested in obtaining copy of the same may write to the Company Secretary at the Registered Office of the Company.

Risk management policy

Pursuant to the requirement of Section 134 (3) (n) of the Act, the Company has in place a structured risk management policy. The Risk management process is designed to safe guard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business.

Performance Evaluation

Pursuant to the provisions of Section 134 (3) (p), 149(8) and Schedule IV of the Act and Regulation 17 of the SEBI Listing Regulations, annual Performance Evaluation of the Directors as well as of the Committees of the Board has been carried out, same has been explained in detail in the Corporate Governance Report, enclosed herewith.

Independent Directors Meeting

During the financial year under review, the Independent Directors of the Company met on February 8, 2023 inter-alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into view of Executive and Non-Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Directors' Responsibility Statement

In accordance with the provisions of Section 134 (5) of the Act, your Directors based on the representation/confirmation received from the Chairman and from the Chief financial Officer, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date.
- c) proper and sufficient care has been taken for 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 fraud and other irregularities.
- d) the annual accounts have been prepared on a going concern basis.
- e) the internal financial controls have been laid down to be followed by the Company and such controls are adequate and are operating effectively.



- f) proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems are adequate and are operating effectively.

Requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, your Company has constituted an Internal Complaints Committee (ICC). During the year under review, no cases were received/filed pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Material changes & commitment if any, affecting financial position of the Company from the end of financial year till the date of the report.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of this Report.

Reporting of Frauds:

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

Familiarization Programmes for Board Members

The Familiarization program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities.

All the Directors of the Company are updated as and when required, of their role, rights, responsibilities under applicable provisions of the Companies Act and the SEBI Listing Regulations, Secretarial Standards; nature of industry in which the Company operates, business model of the Company, etc. The Company holds Board and the Committee Meetings from time to time. The Board of Directors has complete access to the information within the Company. The Independent Directors have the freedom to interact with the Company's management. Directors are also informed of the various developments in the Company through various modes of communications. All efforts are made to ensure that the Directors are fully aware of the current state of affairs of the Company and the industry in which it operates.

The details of such familiarization programmes for Independent Directors of the Company are posted on the website of the Company <http://www.technocraftgroup.com/pdf/Details-of-the-familiarization-programmes-imparted-to-independent-directors.pdf>

Secretarial Standards

Pursuant to Section 118(10) of the Companies Act, 2013 the Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings;

Significant and material Orders passed by the Regulators/Courts, if any

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

Business Responsibility Report

The 'Business Responsibility Report' (BRR) of the Company for the year ended March 31, 2023 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as Annexure-VIII.

Other Disclosure

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

- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.



- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.

Acknowledgements

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, clients, Financial Institutions, Bank, Central and State Governments, the Company's valued investors and all other business partners for their continued co-operation and excellent support received during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

Registered Office:

Technocraft House, A-25, Road No. 3,
MIDC Industrial Estate, Andheri (East),
Mumbai 400093.
CIN: L28120MH1992PLC069252
www.technocraftgroup.com

Place: Mumbai

Date: May 29, 2023

For and on behalf of the Board of Directors

Dr. Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843



ANNEXURE-I TO THE BOARD'S REPORT

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of energy:

As a constant practice this year also we have replaced many numbers of ordinary lights with high quality LED Lights, which consumes less electricity and LED lights have more life as compare to ordinary lights. The new LED lights saves around 60-65% electric power as compared to the old lights.

In Scaffolding/Pipe Division this year we replace approx. 165 LED lights with ordinary lights, tube lights and roadway lights.

Installed programmable APFC meter with different range of oil cooled Capacitor Bank with 16 channels relays. As result power factor we archive 0.999 to 0.998 nearly about unity and improve life of capacitor bank.

During the year we have also installed servo System, stepper motors in replacement of induction motor system. Earlier all motor was run on AC induction motor which have high start current. As a results of which it reduced failure of starters, extra wiring of reverse forward starter system and smooth start-stop related breakdown and therefore reduced time and improve efficiency of work.

Make in-house design of battery operated transfer trolley for material movement from one shed to other shed up to 135 meter long travelling. As result of this electrical cable for transfer trolley remove from system, less utilized of forklift and there for reduce in breakdown of electrical cable cut and pollution from forklift.

We make transfer tool for press components for different operation like flaring, punching and forming in one die and in one press. In result of this we save of electrical energy, manpower, material movements and different operation time because we use only one press for all this operation.

In Garment Division we have modified the Old MEE plant from under vacuum system to without vacuum operating system and after that power consumption has been reduced almost 50% per day compare to previous and we are saving 1100 Unit / Day. Steam consumption of the MEE Plant also has been reduced around 28% after modification and we are saving 10,500 Kg steam per day.

We have made changes in the fiber dyeing process to collect and reuse the last bath water of the fiber dyeing machine for next batch and saving approx. 1,14,000 Liter water per month.

In Amravati plant during the financial year we have optimize the humidification plant SA & RA fan CMH and save 156 mwh Units resulting saving Rs.9 Lacs Rs. In year.

Technology absorption

- (i) **The efforts made towards technology absorption;** this year we also continues with robotics technology. We installed additional 30 Robots for deferent type of welding and make auto fixtures for welding component fixing. Due to this our productivity increase, quality improve, reduce rework or repairing. Also reduce manual work for welding, reduce in material movements and improve of ergonomics of workers. Make Auto pipe cutting clod saw machines where two cutting machine can operate by one operator. This year we adopted robotics technology for pick and place. We installed 5 Robots for pick and place for cut pipe feed from tack welding fixture to full welding fixture and same pick and place for 3 Meter long, 10 mm thick plate approx. 100 kg weight for press components.
- (ii) **The benefits derived like product improvement, cost reduction, product development or import substitution;** Due to technology absorption of above our productivity increase, quality improve, reduce rework or repairing. Also reduce manual work for welding, reduce in material movements and improve of ergonomics of workers.
- (iii) **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-Not Applicable**
- (iv) **the expenditure incurred on Research and Development:Nil**



Foreign exchange earnings and Outgo:

The Foreign Exchange earnings and outgo during the year are as follow.

(₹In Lakhs)

| Particulars | 2022-23 | 2021-22 |
|--|------------------|------------------|
| A: Earning | | |
| FOB Value of Export | 98,409.90 | 92,412.80 |
| Interest Received | 212.81 | 103.52 |
| Guarantee Fees Received | 116.62 | 100.44 |
| Total Earning in foreign exchange | 98,739.32 | 92,616.76 |
| B: Outgo | | |
| CIF Value of Import of Raw Material, Stores & Spare Parts & Traded Goods | 4,670.28 | 1,211.22 |
| Other Expenditures | 1,010.37 | 1,196.30 |
| Total expenditure in foreign exchange | 5,680.65 | 2,407.52 |

(Previous year's figures have been regrouped wherever necessary to conform to the current year's presentation)



ANNEXURE-II TO THE BOARD'S REPORT

Form -MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members of
Technocraft Industries (India) Limited
Technocraft House, A-25, Road No.3
MIDC Industrial Estate,
Andheri (East), Mumbai 400093

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from April 1, 2022 and ended March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Technocraft Industries (India) Limited** ("the Company") for the financial year ended on March 31, 2023, according to the provisions of:
 - i. The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI) Overseas Direct Investment and External Commercial Borrowings [applicable to the extent of Foreign Direct Investment and Overseas Direct Investment];
 - v. The following Regulations and Guidelines, to the extent applicable, prescribed under The Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act, 2013 and dealing with client;
 - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. The Laws as are applicable specifically to the Company: Factories Act, 1948; Industrial Disputes Act, 1947; Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.; Acts prescribed under prevention and control of pollution; Acts prescribed under Environmental protection and Acts as prescribed under Shop and Establishment Act of various local authorities.



2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:
 - i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
3. We have also examined compliance with the applicable clauses of the following:
 - i. Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India,;
 - ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.
5. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.
6. We further report that:
 - i. The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
 - ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation of the meeting.
 - iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
7. We further report that based on the review of the Compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Chairman & Managing Director and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the Company with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
8. We further report that, during the audit period, there were no specific events/actions in pursuance of above referred the laws, rules, regulations, guidelines, standards, etc., having a major bearing on the company's affairs.

For Pramod Jain & Co.
Company Secretaries

Place: Indore
Date: May 29, 2023

(Pramod Kumar Jain)
Proprietor
FCS No: 6711 CP No: 11043
UDIN: F006711E000405648

This Report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.



'Annexure A'

To
The Members of
Technocraft Industries (India) Limited
Technocraft House, A-25, Road No.3
MIDC Industrial Estate,
Andheri (East), Mumbai 400093

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Pramod Jain & Co.
Company Secretaries

Place: Indore
Date: May 29, 2023

(Pramod Kumar Jain)
Proprietor
FCS No: 6711 CP No: 11043
UDIN: F006711E000405648



ANNEXURE-III TO THE BOARD'S REPORT

Remuneration Policy for Directors, Key Managerial Personnel and other employees

1. Introduction:

1.1 Technocraft Industries (India) Limited (TIIL) recognises the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Exclusion:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 "Director" means a director appointed to the Board of the Company.

3.2 "Key Managerial Personnel" means

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Company Secretary;

(iii) the Whole-time Director;

(iv) the Chief Financial Officer; and

(v) such other officer as may be prescribed under the Companies Act, 2013.

3.3 "Nomination and Remuneration Committee" means the committee constituted by TIIL's Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (NRC) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NRC Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include (i) Basic Pay (ii) Perquisites and Allowances. (iii) Commission or (iv) bonus etc.

4.2 Remuneration to Non-Executive Directors

4.2.1 The Board, on the recommendation of the NRC Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.



4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

4.3 Remuneration to other employees

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

5. Amendment

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any subsequent amendment/modification in the Listing Regulations, the Companies Act, 2013 and/or other applicable laws in this regard shall automatically apply to this Policy.

Details of amendment:

| | |
|------------|---|
| Amended on | 06/11/2015 (Pursuant to the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and inter alia) |
| | 13/02/2019 (Pursuant to the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and inter alia) |



ANNEXURE-IV TO THE BOARD'S REPORT CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Legal Framework

This Policy has been formulated by the Corporate Social Responsibility Committee and approved by the Board of Directors of Technocraft Industries (India) Limited (hereinafter referred to as the “Company”) in accordance with the requirement of the provisions of Section 135 of the Act read with the Rules thereunder.

Definitions

1. **“Act”** means Companies Act, 2013 & rules made thereunder, including any modifications, clarifications, amendments, circulars or re-enactment thereof.
2. **“Board of Directors”** or **“Board”** means the Board of Directors of the Company, as constituted from time to time.
3. **“Committee”** means Corporate Social Responsibility Committee of the Company as constituted or reconstituted by the Board
4. **“Independent Director”** means a director who satisfies the criteria for independence as prescribed under Section 149 of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as SEBI Listing Regulations).
5. **“Key Managerial Personnel”** in relation to a company, means—
 - (i) the Chief Executive Officer or the Managing Director or the Manager;
 - (ii) the Company Secretary;
 - (iii) the Whole-Time Director;
 - (iv) the Chief Financial Officer; and
 - (v) such other officer as may be prescribed;
6. **“Policy”** means this Policy, as may be amended from time to time.

Membership

- i) The Committee shall consist of a minimum 3 Directors out of which at least one Director shall be an Independent Director.
- ii) A minimum of two (2) Members shall constitute a quorum for the Committee Meeting.
- iii) Term of the Committee shall be continued unless terminated by the Board of Directors.

Role of the committee

The CSR Committee, inter alia, shall-

- i) indicate the activities to be undertaken by the company relating to that specified in Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (i) above; and
- iii) monitor the CSR Policy of the Company from time to time.

Role of the Board

The Board shall endeavor to -

- i) ensure that the activities to be undertaken by the Company shall be related to that specified in Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014;
- ii) ensure that the company spends, in every financial year, at least two per cent of the average net profits, if any, (which is calculated in accordance with the provisions of section 198 of the Act) of the Company made during the



three immediately preceding financial years, in pursuance of its CSR Policy by identifying appropriate projects/ activities preferably in the local area where the Company's operations are carried out;

- iii) Consider and give preference to the local area and areas around the Company where it operates, for spending the amount earmarked for CSR activities.

CSR Activities

The Company shall endeavor to provide adequate budget for CSR project/program in consonance with Schedule VII of the Act with emphasis on:

- i) Promoting health care including preventive health care and sanitation and making available safe drinking water;
- ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government or contribution to Indian Institute of Technology (IITs).

Surplus, if any, arising out of the CSR project/program/activity shall not form part of the business profit of the Company.

Specification of modalities of execution of the policy

The Committee shall be responsible for laying down operational mechanism, design the implementation model & schedule and recommend the same for the approval of the Board. The CSR project/program shall be initiated in the manner approved by the Board.

Monitoring process

The Board shall periodically review the status of the CSR project/program being implemented and issue necessary directions to ensure orderly and efficient execution of the CSR project/program in accordance with this Policy. The review shall be in accordance with the COREX principle i.e., Comply or Explain.

Disclosures

As per the Act, the contents of this Policy shall be disclosed in the Board's Report of the Company and also be placed on the Company's website.

Miscellaneous

Any terms used in this policy but not defined herein shall have the same meaning as prescribed to it in the Act or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Agreement or any other relevant legislation / law applicable to the Company.

Amendment

The Committee can recommend any amendment to this Policy, as and when it deems fit and implement after Board's approval.

Any subsequent amendment/modification in the Act and/or other applicable laws in this regard shall automatically apply to this Policy.

| | |
|------------|---|
| Amended on | 11/02/2021 : modification in activities as per Companies Act, 2013 (as amended) |
| | |



ANNEXURE-V TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company.

The Board of Directors of your Company (hereinafter referred to as the "Board") approved the Corporate Social Responsibility ("CSR") Policy of your Company during the year as recommended by the CSR Committee pursuant to section 135 Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company is aware of the social responsibilities that accompany its leadership status. The Company remains steadfast on its objective of pursuing holistic growth with responsibility towards the people.

As a part of Corporate Social Responsibility, the Company has supported an Institute in tie up with Nettur Technical Training Foundation (NTTF) in the name of NTTF Training Centre (NTC). NTC provides diploma courses in Mechatronics and Tool & Die Design Engineering. It is located on a lush 9 acres landscape site in Murbad, near Mumbai. NTTF is a living symbol of Indo-Swiss Co-operation aimed at promoting a purposeful technical education for the youth in India. The institute consists of Ground plus two floors building with basement, and has an approximate built-up area of 48000 Sq. ft. A hostel block is also provided to accommodate Students and Trainees with mess and recreational facilities. These facilities have a capacity to provide Education/Training to about 600 students. The Job Oriented courses offered by the NTTF training center have resulted into creation of Employment Opportunities and Entrepreneurship among the youth in the stakeholder villages.

As a part of Corporate Social Responsibility, the Company has signed Memorandum of Understanding (MoU) with Indian Institute of Technology Bombay (hereafter referred to as 'IIT Bombay') for CSR activities.

The Company has identified inter-alia the following thrust areas around which your Company shall be focusing its CSR initiatives and channelising the resources on a sustained basis.

- (i) Promoting health care including preventive health care and sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government or contribution to Indian Institute of Technology (IITs)

2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------|--------------------------------------|--|--|
| 1. | Dr. Sharad Kumar Saraf | Chairman & Managing Director | 1 | 1 |
| 2 | Mr. Sudarshan Kumar Saraf | Co- Chairman & Managing Director | 1 | 1 |
| 3 | Ms. Vaishali Choudhari | Independent Director | 1 | 1 |



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

Weblink to CSR Policy: [http://www.technocraftgroup.com/pdf/Corporate-Social-Responsibility-\(CSR\)-Policy.pdf](http://www.technocraftgroup.com/pdf/Corporate-Social-Responsibility-(CSR)-Policy.pdf).

Weblink to Composition of CSR committee <http://technocraftgroup.com/Composition-of-the-Variou-Committee.aspx>

Weblink to CSR projects approved by the board <http://technocraftgroup.com/CSR-Projects.aspx>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Impact assessment is Not Applicable since average CSR obligation is less than ten crore rupees.

- 5. (a) Average net profit of the company as per section 135(5): ₹16,726.29 Lakhs**
(b) Two percent of average net profit of the company as per section 135(5) ₹ 334.53 Lakhs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Not Applicable
(d) Amount required to be set off for the financial year, if any: ₹ 149.60 Lakhs
(e) Total CSR obligation for the financial year (7a+7b-7c): ₹ 184.93 Lakhs
- 6 (a) Amount spent on CSR projects against other than ongoing projects : ₹ 439.00 Lakhs**
(b) Amount spent in Administrative Overheads: Nil
(c) Amount spent on Impact Assessment, if applicable: NA
(d) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 439.00 Lakhs
(e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹) | | | |
|--|--|-------------------|--|-------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | |
| 1 | Amount | Date of transfer. | Amount | Date of transfer. |
| 4,39,00,000 | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

(f) Excess amount for set off, if any: ₹ 1,49,60,000

| Sl. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 3,34,53,000 |
| (ii) | Total amount spent for the Financial Year | *5,88,60,000 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 2,54,07,000 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | -- |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 2,54,07,000 |

* Total amount spent for the Financial Year includes the excess amount spent in Previous Financial Year i.e. (4,39,00,000 + 1,49,60,000), which is set off in Current Financial Year.



7. Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in ₹) |
|---------|---------------------------|--|--|--|----------------|-------------------|--|
| | | | | Name of the Fund | Amount (in ₹). | Date of transfer. | |
| 1. | | | | Not Applicable | | | |
| | Total | | | | | | |

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Sd/-
Sudarshan Kumar Saraf
(Co-Chairman & Managing Director)
(Member CSR Committee)

Sd/-
Dr. Shard Kumar Saraf
(Chairman & Managing Director)
(Chairman CSR Committee)



ANNEXURE-VI TO THE BOARD'S REPORT (AOC-2)

Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read Rule 8 (2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms-length transaction under third proviso thereto.

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

All transactions entered into by the Company during the year with related parties were on arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

| S. No. | Particulars | Details |
|---------------|---|--|
| 1. | Name(s) of the related party & nature of relationship | AAIT/ Technocraft Scaffold Distribution LLC FZE ("AAIT") |
| 2. | Nature of contracts/arrangements/transaction | Sale of scaffolding |
| 3. | Duration of the contracts/ arrangements/ transaction | On-going transaction (Continuous) |
| 4. | Salient terms of the contracts or arrangements or transaction including the value, if any | AAIT is a distribution Company during the FY the Company sold scaffolding in USA through AAIT for aggregate amount of ₹420.59 Crores on an Arm's Length basis. |
| 5. | Date of approval by the Board | August 10, 2022 |
| 6. | Amount paid as advances, if any | Nil |



ANNEXURE-VII TO THE BOARD'S REPORT

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

(i) & (ii) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the percentage increase in remuneration of each Director, Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company in the financial year 2022-23.

| Name & Designation | Remuneration of each Director & KMP for Financial Year 2022-23 (₹ In Lakhs) | % Increase/ Decreased in remuneration in the Financial year 2022-23 | Ratio of remuneration of each Director to median remuneration of employees |
|---|--|---|--|
| A. Directors & KMP | | | |
| Mr. Sharad Kumar Saraf, CMD | 146.40 | 0.00 | 36.68 |
| Mr. Sudarshan Kumar Saraf, Co-CMD | 146.40 | 0.00 | 36.68 |
| Mr. Ashish Kumar Saraf, WTD, CFO | 146.40 | 0.00 | 36.68 |
| Mr. Navneet Kumar Saraf, WTD, CEO | 146.40 | 0.00 | 36.68 |
| Mr. Atanu Choudhary, WTD | 12.68 | 18.95 | 3.27 |
| Mr. Jagdeesh Mal Mehta, I-NED | 0.90 | 0.00 | 0.23 |
| Mr. Vishwambhar C. Saraf, I-NED | 0.60 | 0.00 | 0.15 |
| Mr. Aubrey Rebello, I-NED | 0.90 | 28.57 | 0.23 |
| Ms. Vaishali Choudhari, I-NED | 0.60 | -33.33 | 0.15 |
| Mr. Vinod Agarwala, I-NED | 0.90 | 0.00 | 0.23 |
| B. Key Managerial Personnel other than Directors | | | |
| Mr. Neeraj Rai, CS | 17.40 | 7.41 | 4.49 |

Legends:

CMD - Chairman & Managing Director; I- NED- Independent Non-Executive Director; WTD- Whole Time Director; CFO – Chief Financial Officer; CS - Company Secretary; CFO – Chief Financial Officer.

Notes:

The above remuneration includes sitting fees paid to all the Non-Executive Directors of the Company.

(iii) **Percentage increase in the median remuneration of employees in the financial year:** During the period under review the median remuneration was increased by 5.16%.

(iv). **The number of permanent employees on the rolls of Company;** There were 1768 permanent employees on the rolls of Company as on March 31, 2023.

(v). **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average increase in the salaries of employees other than the managerial personnel in the Financial Year 2022-23 was 5.16% and the increase in the salary of the managerial personnel was 3.22%. The average increase of 5.16% in the salaries of employees was in line with the market projection, the performance of the Company in the financial year 2022-23, the individual performance of the employees, the criticality of the roles they play and skills set they possess.

(vi). **Affirmation that the remuneration is as per the Remuneration Policy of the Company**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.



CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Corporate Governance signifies the role of the management as the trustees to the property of the shareholders and acceptance of the inherent rights of the shareholders by the management. Corporate Governance is a framework which helps various participants' viz. shareholders, Board of Directors and Company's management, in shaping company's performance and the way it is preceding towards attainment of its goals.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of SEBI Listing Regulations, but also several voluntary practices at a superior level of business ethics, effective supervision and enhancement of shareholders' value.

The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in protecting the shareholders' interest while maximizing long term corporate values.

The Company is in compliance with the requirements on the Corporate Governance stipulated under SEBI Listing Regulations.

II. BOARD OF DIRECTORS

(a) Size and Composition of the Board of Directors

The Board of Directors has an ideal combination of executive and non-executive directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations which inter-alia stipulates that the Board should have an optimum combination of executive and non-executive directors with at least one Woman Director and not less than fifty percent of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

As on March 31, 2023, the Board comprised ten directors. Of these, five are executive directors, including the Chairman & Managing Director who is a Promoter Director. Remaining five are Independent Directors including one Woman Director.

Since, the Chairman of the Board of Directors is an Executive Director thus, as per Regulation 17 of the SEBI Listing Regulations at least fifty percentage of the Board should be independent directors. The composition of the Board of Directors is in conformity with the Regulation 17 of the SEBI Listing Regulations.

Dr. Sharad Kumar Saraf, Chairman & Managing Director and Mr. Sudarshan Kumar Saraf, Co-Chairman & Managing Director are brother and Mr. Ashish Kumar Saraf and Mr. Navneet Kumar Saraf are their sons, respectively, except them other Directors of the Company are not related to each other.

All the Independent Directors of the Company furnish declaration annually that they qualify the conditions of their being independent as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI Listing Regulations. All such declarations are placed before the Board. Further all the directors provide declarations annually that they have not been disqualified to act as director under Section 164(2) of the Companies Act, 2013. In the opinion of the Board, the independent directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management.

(b) Number of Board Meetings

The Board of Directors met four (4) times during the financial years 2022-23. The Meetings were held on May 27, 2022, August 10, 2022, November 14, 2022 and February 8, 2023. The time gaps between any two consecutive meetings are in compliance with the provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(c) Directors' attendance record and details of Directorships/Committee Positions held

As mandated by SEBI Listing Regulations, none of the directors on Board is a member of more than ten board-level committees and Chairman of more than five such committees, across all such companies in which he/she is a Director.



Further, none of the directors of the company serves as an Independent Director in more than seven listed companies.

The details of names and categories of directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting as also the number of directorships and board-level committee positions held by them as at March 31, 2023 is tabulated hereunder.

| Name | Category | No. of Board Meeting attended/ held during 2022-23 | Whether attended Last AGM held on Sept 26, 2022 | Number of Directorship of Public Companies including this Company* | Committee Position including in this Company# | |
|---------------------------|--|--|---|--|---|--------|
| | | | | | Chairman | Member |
| Dr. Sharad Kumar Saraf | Promoter, Chairman & Managing Director | 3/4 | Yes | 8 | 0 | 3 |
| Mr. Sudarshan Kumar Saraf | Promoter, Co- Chairman & Managing Director | 4/4 | Yes | 10 | - | 1 |
| Mr. Ashish Kumar Saraf | Whole-time Director & CFO | 3/4 | No | 7 | - | 1 |
| Mr. Navneet Kumar Saraf | Whole-time Director & CEO | 2/4 | Yes | 9 | - | 1 |
| Mr. Atanu Choudhary | Whole-time Director | 4/4 | No | 1 | - | - |
| Mr. Vinod Agarwala | Independent Director | 4/4 | No | 5 | 2 | 4 |
| Mr. V. C. Saraf | Independent Director | 3/4 | No | 4 | 3 | 4 |
| Mr. Jagdeesh Mal Mehta | Independent Director | 4/4 | No | 2 | - | 2 |
| Ms. Vaishali Choudhari | Independent Director | 3/4 | No | 1 | - | 1 |
| Mr. Aubrey Rebello | Independent Director | 4/4 | Yes | 1 | - | 1 |

Notes:

*Excludes private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 (i.e. associations not carrying on business for profit or which prohibits payment of dividend).

#Chairmanship/Membership of only Audit Committee and Stakeholder's Relationship Committee in public companies (including this Company), have been considered. Further, chairmanship numbers does not included the number of membership, both positions considered separately.

List of Directors who have directorship in other listed companies and the names of the listed entities where the person is a director and the category of directorship:

| Name | List of directorship held in other listed | Category of directorship in other listed |
|-------------------------|---|--|
| Dr. Sharad Kumar Saraf | (1) Manglam Organic Ltd. | Independent Director |
| Mr. Navneet Kumar Saraf | (1) TCI Industries Ltd | Independent Director |
| Mr. Vinod Agarwala | (1) West Coast Paper Mills Ltd | Independent Director |
| | (2) IRIS Business Services Ltd | Independent Director |
| | (3) GTL Infrastructure Ltd | Independent Director |
| | (4) Supreme Infrastructure India Ltd | Independent Director |
| Mr. V. C. Saraf | (1) Remi Edlestahl Tubulars Ltd | Executive Director |
| Mr. Jagdeesh Mal Mehta | (1) Banswara Syntex Ltd. | Independent Director |



(d) Information to the Board

A detailed agenda folder is sent to each director in advance of the Board Meetings. As a policy, all major decisions, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. Pursuant to Regulation 17(7) of the SEBI Listing Regulations, the agenda includes the minimum information required to be placed before the board of directors. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions.

The Board periodically reviews compliance certificate of laws applicable to the Company, prepared by the management as well as steps taken by the company to rectify instances of non-compliances, if any. Further, the Board also reviews the annual financial statements of the unlisted subsidiary companies. In addition to the above, pursuant to Regulation 24 of the SEBI Listing Regulations, the minutes of the board meetings of the company's unlisted Indian subsidiary companies are placed before the Board.

(e) Directors with pecuniary relationship or business transaction with the company:

The Chairman & Managing Director, Co-Chairman & Managing Director and the Whole-time Directors receive Salary, Perquisites and Allowances, while all the Non-Executive Directors receive Sitting Fees.

(f) Nomination and Remuneration Policy & Remuneration to Directors:

Remuneration was paid to Executive Directors i.e. Dr. Sharad Kumar Saraf, Chairman & Managing Director, Mr. Sudarshan Kumar Saraf, Co-Chairman & Managing Director, Mr. Ashish Kumar Saraf, CFO & Whole-time Director, Mr. Navneet Kumar Saraf, CEO & Whole-time Director and Mr. Atanu Anil Choudhary, Whole-time Directors pursuant to the approval of the Nomination and Remuneration Committee, the Board of Directors and the Members of the Company, which is within the limits prescribed under the Companies Act, 2013.

The Non-Executive Directors were paid sitting fees for attending the Meetings of the Board of Directors and the Audit Committee, which is within the limits prescribed under the Companies Act, 2013. The Company pays a sitting fee of ₹ 10,000/- for attending each meeting of the Board of Directors, Meeting of Audit Committee and Meeting of Independent Directors.

The detailed Remuneration Policy of the Company has been provided in the Board's Report which forms part of this Annual Report.

The details of remuneration paid to Directors during the year ended March 31, 2023 are tabulated hereunder.

(₹ in Lakhs)

| Name of the Directors | Salaries, perquisites & Allowances | Sitting fees | Total |
|------------------------------|---|---------------------|--------------|
| Dr. Sharad Kumar Saraf | 146.40 | 0.00 | 146.40 |
| Mr. Sudarshan Kumar Saraf | 146.40 | 0.00 | 146.40 |
| Mr. Ashish Kumar Saraf | 146.40 | 0.00 | 146.40 |
| Mr. Navneet Kumar Saraf | 146.40 | 0.00 | 146.40 |
| Mr. Atanu Choudhary | 12.68 | 0.00 | 12.68 |
| Mr. Aubrey Rebello | 0.00 | 0.90 | 0.90 |
| Mr. Jagdeesh Mal Mehta | 0.00 | 0.90 | 0.90 |
| Ms. Vaishali Choudhari | 0.00 | 0.60 | 0.60 |
| Mr. V. C. Saraf | 0.00 | 0.60 | 0.60 |
| Mr. Vinod Agarwala | 0.00 | 0.90 | 0.90 |

The details of remuneration paid to KMP during the year ended March 31, 2023, are given in the annexure to the Board Report.



(g) Employee Stock Option Scheme:

The Company does not have any Employee Stock Option Scheme (ESOS).

(h) Details of Equity Shares held by the Non- Executive Directors:

As on March 31, 2023, none of the Non-Executive Directors held any Equity Shares in the Company and there are no convertible instruments in the Company.

(i) Management Discussion and Analysis

Management Discussion and Analysis is given in a separate section forming part of the Board's Report in this Annual Report.

(j) Code of Conduct

The Board of Directors has laid down the Codes of Conduct ('Code'), for the all Board members and senior management of the company.

These Codes have been posted on the Company's website www.technocraftgroup.com. All the Board Members and Senior Management personnel of the Company have affirmed Compliance with the Code of Conduct as applicable to them, for the year ended March 31, 2023. A declaration to this effect signed by Mr. Navneet Kumar Saraf, Chief Executive Officer is annexed to this Report.

(k) Familiarisation Programmes for Board Members

The Familiarisation program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities.

All the Directors of the Company are updated as and when required, of their role, rights, responsibilities under applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, Secretarial Standards; nature of industry in which the Company operates, business model of the Company, etc. The Company holds Board and the Committee Meetings from time to time. The Board of Directors has complete access to the information within the Company. The Independent Directors have the freedom to interact with the Company's management. Directors are also informed of the various developments in the company through various modes of communications. All efforts are made to ensure that the directors are fully aware of the current state of affairs of the company and the industry in which it operates.

The details of such familiarization programmes for Independent Directors of the company are posted on the website of the company <http://www.technocraftgroup.com/pdf/Details-of-the-familiarization-programmes-imparted-to-independent-directors.pdf>

(l) Performance Evaluation and Independent Directors Meeting

Pursuant to the provisions of Section 134(3) (p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, annual performance evaluation of the directors as well as of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been carried out.

The performance evaluation of the Independent Directors was carried out by the entire Board the performance evaluation of the Independent Directors was conducted by the entire Board of directors (excluding the director being evaluated) on the basis of a structured questionnaire which was prepared on the basis of SEBI Circular No SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017 and the performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors on the basis of a structured questionnaire which was prepared on the basis of said SEBI Circular.

The Independent Directors of the Company met on February 8, 2023, inter-alia, to discuss and carry out the evaluation of performance of (i) Non-Independent Directors and the Board of Directors of the Company as a whole, (ii) the evaluation of performance of the Chairman of the Company, (iii) evaluation of the committees



of the Board, and (iv) evaluation of the quality, content and timelines of flow of information between the management and the board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the company management and the board.

Performance evaluation criteria for independent directors:

The Independent Directors shall be evaluated on the basis of the following criteria;

General:

- a. **Qualifications:** Details of professional qualifications of the member
- b. **Experience:** Details of prior experience of the member, especially the experience relevant to the entity
- c. **Knowledge and Competency:**
 - i. How the person fares across different competencies as identified for effective functioning of the entity and the Board (The entity may list various competencies and mark all directors against every such competency)
 - ii. Whether the person has sufficient understanding and knowledge of the entity and the sector in which it operates.
- d. **Fulfilment of functions:** Whether the person understands and fulfils the functions to him/her as assigned by the Board and the law (E.g. Law imposes certain obligations on independent directors)
- e. **Ability to function as a team:** Whether the person is able to function as an effective team- member
- f. **Initiative:** Whether the person actively takes initiative with respect to various areas
- g. **Availability and attendance:** Whether the person is available for meetings of the Board and attends the meeting regularly and timely, without delay.
- h. **Commitment:** Whether the person is adequately committed to the Board and the entity
- i. **Contribution:** Whether the person contributed effectively to the entity and in the Board meetings
- j. **Integrity:** Whether the person demonstrates highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)

Additional criteria for Independent director:

- a. **Independence:** Whether person is independent from the entity and the other directors and there if no conflict of interest.
- b. **Independent views and judgement:** Whether the person exercises his/ her own judgement and voices opinion freely.

The Non-Independent Directors along with the Independent Directors, except the one who is being evaluated, will evaluate/assess each of the Independent Directors on the aforesaid parameters. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

I. BOARD COMMITTEES

Pursuant to SEBI Listing Regulations / Companies Act, there were four Committees as on March 31, 2023 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibilities (CSR) Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.



a. Audit Committee

During the Financial Year ended March 31, 2023, the Audit Committee comprises five Independent Directors. Viz. Dr. Vinod Agarwala – (Chairman), Mr. Jagdeesh Mal Mehta, Mr. Aubrey Rebello, Ms. Vaishali Choudhari and Mr. V. C. Saraf. All Members of the Audit Committee possess accounting and financial management knowledge.

The senior management team i.e. Chairman & Managing Director, Co-Chairman & Managing Director, Whole-Time Director & Chief Operating Officer, Whole-time Director & Chief Financial Officer and President Accounts & Finance, the Internal Auditors and the representative of the statutory auditors are invited for the meetings of the Audit Committee. The Company Secretary is the Secretary to this Committee.

The Audit Committee met four times during the year, i.e. on May 27, 2022, August 10, 2022, November 14, 2022 and February 8, 2023. The maximum time gap between any two consecutive meetings was in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015. The minutes of the meetings of the Audit Committee are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

| Name of the Members | Category | Position | No. of Meeting held | No of Meeting attended |
|------------------------|----------------------|----------|---------------------|------------------------|
| Mr. Vinod Agarwala | Independent Director | Chairman | 4 | 4 |
| Mr. Jagdeesh Mal Mehta | Independent Director | Member | 4 | 4 |
| Ms. Vaishali Chaudhari | Independent Director | Member | 4 | 3 |
| Mr. V. C. Saraf | Independent Director | Member | 4 | 3 |
| Mr. Aubrey Rebello | Independent Director | Member | 4 | 4 |

(Mr. Aubrey Rebello, Independent Director, member of the Audit Committee, represented the Audit Committee, who was authorized by the Mr. Vinod Agarwala, Chairman of the Committee, who were unable to attend the Annual General Meeting of the company, held on September 26, 2022 to answer members' queries on behalf of Chairman of the Audit Committee.)

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI Listing Regulations.

The terms of reference of the Audit Committee include the following:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of subsection 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.



5. Reviewing with the Management, quarterly financial statements before submission to the board for approval;
6. Reviewing with the Management, the statement of uses/application of funds raised through an issue(public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with the internal auditors of any significant findings and follow-up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussions with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern;.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism/Vigil mechanism.
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilizations of loans and/or advances from/investment by the holding Company in subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, which is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Carrying out any other functions as is mentioned in the terms of reference of audit committee. Review of Information by Audit Committee;

Review of Information by Audit Committee:

Besides the above, the role of the Audit Committee includes mandatory review of the following information.

22. Management discussion and analysis of financial condition and results of operations;
23. Statement of significant related party transactions (as defined by the audit committee), submitted by Management;
24. Management letters/letters of internal control weaknesses issued by the statutory auditors, if any;
25. Internal audit reports relating to internal control weaknesses; and
26. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee;



27. Statement of deviations:

- (a) Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
- (b) Annual statement of funds utilized for purposes of the than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

28. Carrying out any other function as may be referred to the Committee by the Board.

29. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

b. Nomination and Remuneration Committee

As on March 31, 2023, this Committee comprised five Independent Directors. They are Mr. V.C. Saraf – (Chairman), Mr. Vinod Agarwala, Mr. Jagdeeshmal Mehta, Mr. Aubrey Rebello and Ms. Vaishali Choudhari. The Company Secretary is the Secretary to this Committee.

This Committee met once during the previous financial year 2022-23 on May 27, 2022. The Minutes of the Nomination and Remuneration Committee Meetings are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

| Name of the Members | Category | Position | No. of Meeting held | No of Meeting attended |
|------------------------|----------------------|----------|---------------------|------------------------|
| Mr. V. C. Saraf | Independent Director | Chairman | 1 | 1 |
| Ms. Vaishali Chaudhari | Independent Director | Member | 1 | 1 |
| Mr. Aubrey Rebello | Independent Director | Member | 1 | 1 |
| Mr. Jagdeeshmal Mehta | Independent Director | Member | 1 | 1 |
| Mr. Vinod Agarwala | Independent Director | Member | 1 | 1 |

(Mr. Aubrey Rebello, Independent Director, member of the Nomination & Remuneration Committee, represented the Nomination & Remuneration Committee, who was authorized by the Mr. Vishwambhar C. Saraf, Chairman of the Committee, who were unable to attend the Annual General Meeting of the company, held on September 26, 2022 to answer members' queries on behalf of Chairman of the Nomination & Remuneration Committee.)

In accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, the broad terms of reference of the Nomination and Remuneration Committee of the Company include:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. Devising a policy on Board diversity.
- iv. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- v. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.
- vii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modified as may be applicable.



c. Stakeholders Relationship Committee

As of March 31, 2023, this Committee comprises three Directors viz. Mr. V.C. Saraf – (Chairman), Mr. Sharad Kumar Saraf and Mr. Sudarshan Kumar Saraf. The Company Secretary, Mr. Neeraj Rai, Compliance Officer of the Company is the Secretary to this Committee.

During the Financial Year 2022-23, no query was received from any of the shareholder/stakeholder, also there are no pending share transfers/complaints/queries pertaining to the year under review. The committee met on August 10, 2022 and the minutes of the Committee were noted by the Board.

The Committee deals with the following matters:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Approve issue of duplicate share certificates.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modified as may be applicable.

The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

| Name of the Members | Category | Position | No. of Meeting held | No of Meeting attended |
|---------------------------|----------------------|----------|---------------------|------------------------|
| Mr. V. C. Saraf | Independent Director | Chairman | 1 | 0 |
| Dr. Sharad Kumar Saraf | Executive Director | Member | 1 | 1 |
| Mr. Sudarshan Kumar Saraf | Executive Director | Member | 1 | 1 |

d. Corporate Social Responsibility (CSR) Committee:

As on March 31, 2023 the CSR Committee comprises of three directors viz. Dr. Sharad Kumar Saraf (Chairman), Mr. Sudarshan Kumar Saraf and Ms. Vaishali Choudhari. The Company Secretary of the Company is the Secretary of the Committee. During the financial year 2022-23, the committee met on May 27, 2022 and the minutes of the Committee were noted by the Board.

The Company has formulated Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at www.technocraftgroup.com

The role of the Committee is as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy
- Monitor the CSR Policy of the Company and its implementation from time to time.
- Such other functions as the Board may deem fit from time to time.



The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

| Name of the Members | Category | Position | No. of Meeting held | No of Meeting attended |
|---------------------------|----------------------|----------|---------------------|------------------------|
| Dr. Sharad Kumar Saraf | Executive Director | Chairman | 1 | 1 |
| Mr. Sudarshan Kumar Saraf | Executive Director | Member | 1 | 1 |
| Ms. Vaishali Chaudhari | Independent Director | Member | 1 | 1 |

e. **Risk Management Committee:**

As on March 31, 2023 the Risk Management Committee comprises of three directors viz. Mr. Sharad Kumar Saraf (Chairman), Mr. Sudarshan Kumar Saraf and Mr. V.C. Saraf. The Company Secretary of the Company is the Secretary of the Committee. During the financial year 2022-23, the committee met two (2) times on August 10, 2022 and November 14, 2022 and the minutes of the Committee were noted by the Board.

The role of the Committee is as under:

- To formulate a detailed risk management policy which shall include, A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, Measures for risk mitigation including systems and processes for internal control of identified risks and Business Continuity Plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The details of the composition of the Committee, meetings held, attendance at the meetings, are tabulated hereunder:

| Name of the Members | Category | Position | No. of Meeting held | No of Meeting attended |
|---------------------------|----------------------|----------|---------------------|------------------------|
| Dr. Sharad Kumar Saraf | Executive Director | Chairman | 2 | 1 |
| Mr. Sudarshan Kumar Saraf | Executive Director | Member | 2 | 2 |
| Mr. V.C. Saraf | Independent Director | Member | 2 | 1 |

II. DISCLOSURES

(a) **Related Party Transactions**

All related party transactions entered during the financial year were in the ordinary course of business and on an arm's length basis. Particulars of contracts or arrangements with related parties are mentioned in the Board Report;

Further the details of the transactions with related parties are provided in the Company's financial Statements in accordance with the Accounting Standards.



The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on website of the Company at the link: <http://www.technocraftgroup.com/pdf/Policy-On-Related-Party-Transactions.pdf>

(b) Accounting treatment in preparation of financial statements

The Company has followed the Accounting standards notified by The Companies (Accounting Standards) Rules, 2006, as amended from time to time, read with Companies (Accounts) Rules, 2014 in preparation of its financial statements.

(c) Risk Management

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

The Company has a competent Internal Audit System which prepares and executes a vigorous audit plan covering various functions such as purchase audit, factory payroll audit, operations, finance, human resources, administration, statutory dues etc. across different factories. The internal auditor presents their key audit findings of every quarter to the Audit Committee. The management updates the members about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

(d) Subsidiary Companies

As on March 31, 2023, the Company had 20 subsidiaries. The Income of AAIT/ Technocraft Scaffold Distribution LLC FZE exceeds ten percent of the Consolidated income of the Company for the immediate preceding accounting year 2021-22, hence AAIT/Technocraft Scaffold Distribution LLC FZE was become the material subsidiary of the Company as defined in Regulation 24 of the SEBI Listing Regulations. A policy on material subsidiaries has been formulated and the same is available on website of the Company at the link <http://www.technocraftgroup.com/pdf/Policy-For-Determining-Material-Subsidiary-Companies.pdf> for effective governance, the Company overviews the performance of its subsidiaries, inter alia, in the following manner:

- The financial statements, in particular, the investments made by the unlisted subsidiary companies, are reviewed by the Audit Committee and the Board of Directors of the Company.
- The Minutes of the Board Meetings of the subsidiary companies are placed before the Board of Directors of the Company.

Details of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

(e) Code for Prevention of Insider Trading Practices

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. Neeraj Rai, Company Secretary, as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in company's securities.

(f) Whistle Blower Policy/ Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The company has a vigil mechanism policy under which the employees are free to report violations of applicable laws and regulations. None of the personnel of the Company have been denied access to the Audit Committee. The same is posted on the website of the company <http://www.technocraftgroup.com>



(g) CEO/CFO Certification

As required under Regulation 17 (8) of the SEBI Listing Regulations, the CEO & CFO of the company have certified regarding the financial statements for the year ended March 31, 2023 which is annexed to this Report.

(h) Pledge of Equity Shares:

All the promoters' shareholding is free from any encumbrance.

(i) Disclosure of Pending Cases/Instances of Non- Compliance

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

(j) Details of compliance with mandatory requirements and adoption of the non-mandatory requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- i. **Details of non-compliance, if any:** There is no Non-Compliance of any requirement of Corporate Governance Report of sub para (2) to (10) of the Part C of Schedule V of the SEBI Listing Regulations.
- ii. **Compliance with mandatory requirements:** The Company has complied with all the mandatory items of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015

(k) Compliance report on discretionary requirements under Regulation 27(1) of SEBI Listing Regulations:

- i. **The Board:** The Chairman of the company is an executive director and maintains the chairman's office at the company's expenses for performance of his duties.
- ii. **Shareholders' Rights:** The Company did not send half-yearly results to each household of the shareholders in financial year 2022-23. However, in addition to displaying its quarterly and half-yearly results on its website www.technocraftgroup.com and publishing in widely circulated newspapers.
- iii. **Audit Qualifications:** The auditors have not qualified the financial statements of the company.
- iv. **Reporting of Internal Audit:** The Internal Auditor regularly updates the audit committee on internal audit findings at the audit committee meetings.

III. MEANS OF COMMUNICATION:

In accordance with Regulation 46 of the SEBI Listing Regulations, the company has maintained a functional website at www.technocraftgroup.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, details of the policies approved by the Company, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual financial results, notices of Board Meetings and Annual General Meetings, are normally published in Business Standard (English) and Mumbai Lakshadweep (Marathi) newspapers.

Further, the Company disseminates to the Stock Exchanges (i.e. BSE and NSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and issues press releases, wherever necessary, for the information of the public at large.

IV. GENERAL BODY MEETING:

- i. Location and time of last three Annual General Meetings ('AGM') held:

| AGM No. | Year | Date | Time | Location |
|----------|---------|--------------------|-----------|--|
| 30th AGM | 2021-22 | September 26, 2022 | 11:30 A.M | Online Through Video Conference at the registered office of the Company at Plot No. 47, 'Opus Centre', Second Floor, Central Road, MIDC, Opposite Tunga Paradise Hotel, Andheri (East), Mumbai 400093 (Deemed Venue Of The Meeting). |



| AGM No. | Year | Date | Time | Location |
|----------|---------|--------------------|-----------|--|
| 29th AGM | 2020-21 | September 28, 2021 | 11:30 A.M | Online Through Video Conference at the registered office of the Company at Plot No. 47, 'Opus Centre', Second Floor, Central Road, MIDC, Opposite Tunga Paradise Hotel, Andheri (East), Mumbai 400093 (Deemed Venue Of The Meeting). |
| 28th AGM | 2019-20 | September 30, 2020 | 11:00 A.M | Online Through Video Conference at the registered office of the Company at Plot No. 47, 'Opus Centre', Second Floor, Central Road, MIDC, Opposite Tunga Paradise Hotel, Andheri (East), Mumbai 400093 (Deemed Venue Of The Meeting). |

ii. Special Resolutions passed during the previous three AGMs:

- In the 28th AGM held on September 30, 2020, following special resolution was passed:
Approval under Section 185 of the Companies Act, 2023 in respect of any loan to Techno Defence Private Limited.
- In the 29th AGM held on September 28, 2021, no special resolution was passed.
- In the 30th AGM held on September 26, 2022, following special resolution was passed
Re-appointment of Mr. Sharad Kumar Saraf as a Managing Director of the Company for a period of five years

iii. Special Resolution passed during the Financial Year 2022-23 through the Postal Ballot : During the financial year, the Company has passed following Resolution through Postal Ballot:

| Special Resolution | Votes cast in favour | | Votes cast against | | Date of declaration of results |
|--|----------------------|-------|--------------------|------|--------------------------------|
| | No. of votes | % | No. of votes | % | |
| Special Resolution under Section 68 of the Companies Act, 2013, for buy-back of Equity Shares by the Company | 20676969 | 99.99 | 120 | 0.01 | December 19, 2022 |

iv. Person who conducted the Postal Ballot Exercise:

M/s. Nitesh Jain & Co. Company Secretaries (FCS - 6069 & C.P No. 8582) was appointed as Scrutinizer for the purpose of Postal Ballot exercise.

v. Whether any special resolution is proposed to be conducted through postal ballot:

None of the Business proposed to be transacted at the ensuing Annual General Meeting, scheduled to be held on 27th September, 2023 ('AGM'), requires passing of a Special Resolution through Postal Ballot.

vi. Procedure for postal ballot:

Pursuant to provisions of Sections 110 and other applicable provisions of the Companies Act, 2013, read with Rule 22 of Companies (Management and Administration) Rules, 2014 (Management Rules) as amended, the Company had issued Postal Ballot Notice dated November 14, 2022 to the members, seeking their consent with respect to above mentioned Special Resolution.

In Compliance with provisions of Section 108 and Section 110 and other applicable provisions of the Act read with the Management Rules and Relevant MCA circulars, the Company had provided remote E-voting facility to all the members of the Company. The Company engaged the services of National Security Depository Limited, for facilitating e-voting to enable the members to cast their votes electronically. The voting period commenced on Saturday, November 19, 2022 at 9:00 a.m. (IST) and ended on Sunday, December 18, 2022 at 5:00 p.m. (IST). The Cut-off date, for the purpose of determining the number of members was Friday,



November 11, 2022.

Mr. Nitesh Jain, (Membership No. F6069, COP No.:8582), Company Secretary in Practice, was appointed as the Scrutinizer for carrying out the Postal Ballot process through remote e-voting in a fair and transparent manner.

The Scrutinizer, after the completion of scrutiny, submitted his report to the Chairperson of the Company to accept, acknowledge and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India. The consolidated results of the voting by Postal Ballot and e-voting were announced on December 19, 2022. The results were also displayed on the website of the Company at www.technocraftgroup.com and on the website of Link Intime India Private Limited and communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

I. GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting:

Date: September 27, 2023

Day: Wednesday

Time: 11:30 AM

Venue: In accordance with the General Circular issued by the MCA on May 5, 2020, the AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') only

ii. Last date for Receipt of Proxies:

In terms of the relaxations granted by MCA and SEBI, the facility for appointment of proxies by Members will not be available at the ensuing AGM.

iii. Financial Year:

The financial year of the company covers the financial period from April 01 to March 31. During the financial year under review, the Board Meetings for approval of quarterly and annual financial results were held on the following dates:

1st Quarter Results: May 27, 2022

2nd Quarter Results: August 10, 2022

3rd Quarter Results: November 14, 2022

4th Quarter & Annual Results: February 8, 2023

The tentative dates of the Board Meetings for consideration of financial results for the year ending March 31, 2024 are as follows:

1st Quarter Results: On or before August 14, 2023

2nd Quarter Results: On or before November 14, 2023

3rd Quarter Results: On or before February 14, 2024

4th Quarter & Annual Results: On or before May 30, 2024

iv. Dates of Book Closure:

Saturday, September 23, 2023 to Wednesday, September 27, 2023, (both days inclusive)

v. Dividend Payment Date:

During the Financial Year under review no dividend was declared.

vi. Listing on Stock Exchanges:

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the annual listing fees for the year 2022-23 to BSE



and NSE.

vii. Stock Code:

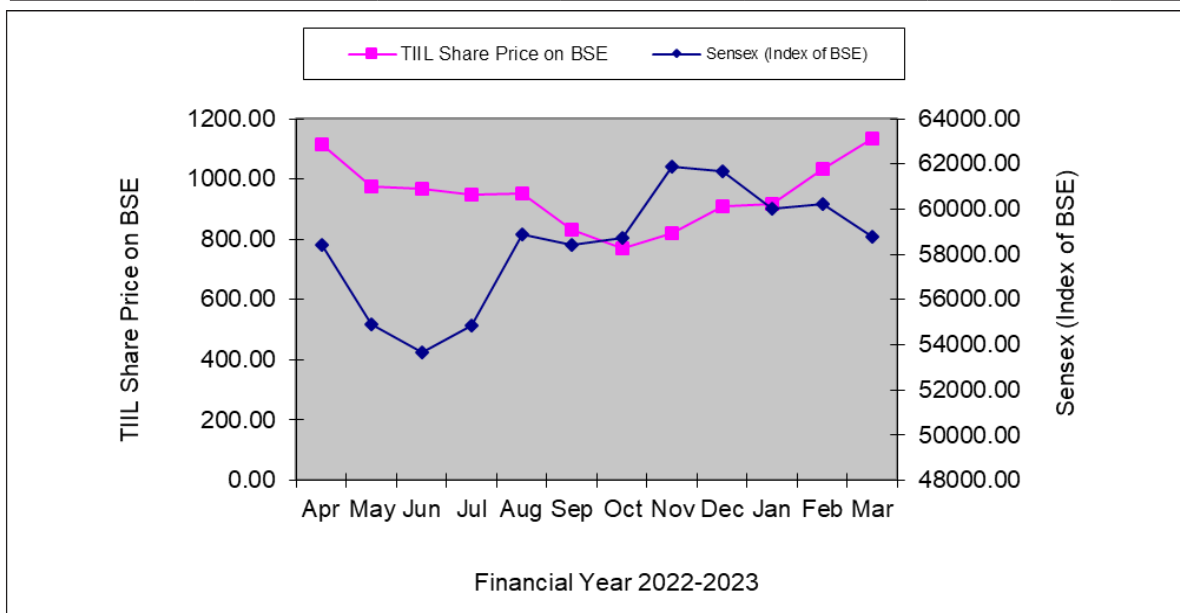
| | |
|-------------------------------------|--------------|
| ISIN (Equity Shares) in NSDL & CDSL | INE545H01011 |
| BSE Code | 532804 |
| NSE Code | TIIL |

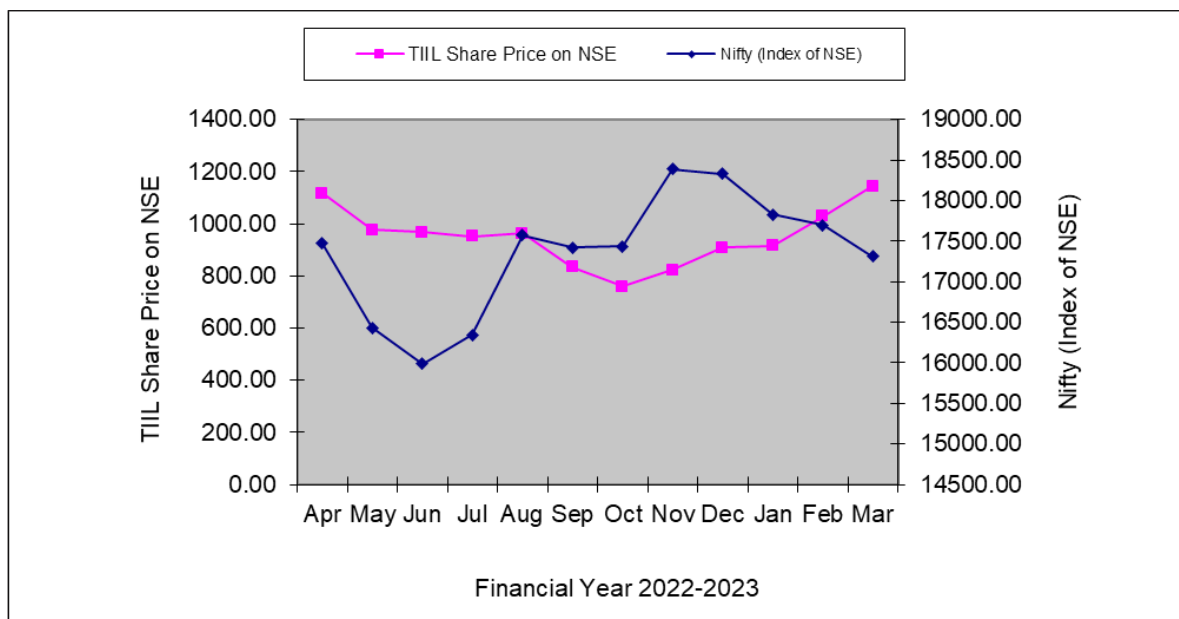
viii. Corporate Identification Number:

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L28120MH1992PLC069252.

ix. Share Price Data: High/Low and Volume during each month of 2022-23 at BSE and NSE:

| Date | NSE | | | BSE | | |
|--------|------------|-----------|-----------------------|------------|-----------|-----------------------|
| | High Price | Low Price | Total Traded Quantity | High Price | Low Price | Total Traded Quantity |
| Apr-22 | 1239.90 | 994.00 | 883513 | 1235.00 | 993.15 | 134358 |
| May-22 | 1095.00 | 856.95 | 555379 | 1094.00 | 856.80 | 52232 |
| Jun-22 | 1130.00 | 804.60 | 334762 | 1124.95 | 808.05 | 34115 |
| Jul-22 | 1040.70 | 863.00 | 277967 | 1047.50 | 850.00 | 21294 |
| Aug-22 | 1040.00 | 886.55 | 276214 | 1040.00 | 866.80 | 22210 |
| Sep-22 | 926.45 | 742.40 | 355232 | 925.00 | 741.20 | 41337 |
| Oct-22 | 819.00 | 701.05 | 232417 | 846.00 | 689.65 | 22201 |
| Nov-22 | 894.45 | 751.60 | 316527 | 890.25 | 746.95 | 23044 |
| Dec-22 | 947.00 | 869.05 | 308200 | 949.65 | 868.75 | 28232 |
| Jan-23 | 949.80 | 883.10 | 161542 | 949.85 | 880.15 | 12712 |
| Feb-23 | 1174.00 | 883.25 | 940047 | 1188.90 | 876.20 | 71299 |
| Mar-23 | 1275.00 | 1013.20 | 654923 | 1271.40 | 1000.00 | 91407 |





x. The Registrars and Share Transfer Agents:

Link Intime India Private Limited is the Company's Registrar and Share Transfer Agents. Their contact details are as follows:

Link Intime India Private Limited
 C-101, 247 Park, L B S Marg, Vikroli West, Mumbai – 400 083, Maharashtra, India
 Tel: +91 22 49186270
 Fax: +91 22 49186060
 Email: rnt.helpdesk@linkintime.co.in
 Website: www.linkintime.co.in

xi. Share Transfer System

The Registrars and Share Transfer Agent have put in place an appropriate share transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 15 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days

xii. Distribution of shareholding

(a) Based on Shares held as on March 31, 2023

| Distribution range of Shares | No. of Shares | Percentage of Shares | No. of Shareholders | No. of Shareholders |
|------------------------------|-----------------|----------------------|---------------------|---------------------|
| 001-500 | 778638 | 3.3910 | 10804 | 92.5555 |
| 501-1000 | 277532 | 1.2087 | 358 | 3.0669 |
| 1001-2000 | 286328 | 1.2470 | 191 | 1.6363 |
| 2001-3000 | 204785 | 0.8919 | 79 | 0.6768 |
| 3001-4000 | 146770 | 0.6392 | 42 | 0.3598 |
| 4001-5000 | 173706 | 0.7565 | 38 | 0.3255 |
| 5001-10000 | 546311 | 2.3792 | 75 | 0.6425 |
| Greater than 10000 | 20547617 | 89.4865 | 86 | 0.7367 |
| Total | 22961687 | 100.00 | 11673 | 100.00 |



(b) Shareholding Pattern as on March 31, 2023:

| S. N. | Category | No. of shareholders | No. of shares | % |
|------------|--|---------------------|-----------------|---------------|
| A | Promoters/ Promoter Group | 12 | 17132736 | 74.61 |
| B | Public | | | |
| (1) | Institutions | | | |
| (a) | Mutual Funds/ | 0 | 0 | 0.00 |
| (b) | Venture Capital Funds | 0 | 0 | 0.00 |
| (c) | Alternate Investment Funds | 3 | 1041119 | 4.53 |
| (d) | Foreign Venture Capital Investors | 0 | 0 | 0.00 |
| (e) | Foreign Portfolio Investors | 21 | 177192 | 0.77 |
| (f) | Financial Institutions / Banks | 0 | 0 | 0.00 |
| | Sub-Total (B)(1) | 24 | 1218311 | 5.30 |
| (2) | Non-institutions | | | |
| (a) | Individuals - | | | |
| | i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs. | 10574 | 2134783 | 9.30 |
| | ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs | 22 | 1055087 | 4.60 |
| (b) | NBFC's registered with RBI | 0 | 0 | 0.00 |
| (c) | IEPF | 1 | 8326 | 0.04 |
| (d) | Trusts | 1 | 135 | 0.00 |
| (e) | Hindu Undivided Family | 398 | 196469 | 0.86 |
| (f) | Foreign Companies | 1 | 385575 | 1.68 |
| (g) | Non Resident Indians | 281 | 144827 | 0.63 |
| (h) | LLP | 12 | 22908 | 0.09 |
| (i) | Clearing Member | 15 | 620 | 0.01 |
| (j) | Bodies Corporate | 119 | 661910 | 2.88 |
| | Sub-Total (B)(2) | 11424 | 4610640 | 20.09 |
| | Total Public Shareholding(B)= (B)(1)+(B)(2) | 11448 | 5828951 | 25.39 |
| | Grant Total (A)+(B) | 11460 | 22961687 | 100.00 |

xiii. Dematerialization of Shares and Liquidity

As on March 31, 2023, 2,29,61,686 equity shares representing almost 100% of the total equity share capital of the Company, were held in dematerialised with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The break-up of equity shares held in Physical and dematerialised form as on March 31, 2023, is given below:

| Category | No of Shares | Percentage |
|--------------|--------------------|---------------|
| NSDL | 2,18,30,618 | 95.07 |
| CDSL | 11,31,068 | 4.93 |
| Physical | 1 | 0.00 |
| Total | 2,29,61,687 | 100.00 |

The Promoters hold their entire equity shareholding in the Company in dematerialized form. The Company's equity shares are regularly traded on the BSE and NSE.



xiv. Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity: Not applicable

xv. Plant Locations:

| | |
|--------------------|---|
| Drum Closure | Plot. No. C - 5, Murbad Industrial Area, District Thane. |
| Scaffoldings | Plot No. 4/1, MIDC Murbad, District Thane. |
| Textile (Murbad) | Village Dhanivali, Murbad, District Thane. |
| Textile (Amravati) | Plot no. T-25 /T 29, Additional Amravati Nandgaonpeth MIDC Area (Textiles Park), Amravati 444901. |

xvi. Address for members' correspondence:

Members are requested to correspond with the Registrars and Share Transfer Agents on all matters relating to transfer/ dematerialisation of shares, payment of dividend and any other query relating to equity shares of the company.

The Company has maintained an exclusive email id: investor@technocraftgroup.com which is designated for investor correspondence for the purpose of registering any investor related complaints and the same have been displayed on the company's website: www.technocraftgroup.com

Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for related matters.

Members may contact the Compliance Officer at the following address:

Mr. Neeraj Rai

Company Secretary/ Compliance Officer

Technocraft House, A-25, Road No. 3, MIDC Industrial Estate, Andheri East, Mumbai – 400 093.

Tel: 022-4098 2222

Fax: 022- 2836 7037

xvii. Credit ratings along with any revisions thereto during the relevant financial year;

The Company has obtained the credit rating on Long Term Bank Loan facility and short term Bank Loan, from Credit Rating Agency 'CRISIL' which is as under:

- (i) Rating on Long Term Bank Loan facility : '**CRISIL A+/Positive**'
- (ii) Rating on Short Term Bank Loan : '**CRISIL A1+**'

During the year under review, there have been no revisions in Credit Rating obtained by the Company.

xviii. Commodity price risk and Commodity hedging activities

The Company has adequate risk assessment and minimization system in place including for commodities.

Steel and Cotton are major commodities, which the company use as raw material. The Company placed the order of commodities raw material on daily basis as and when it procures the sales orders. The management monitors commodities / raw materials whose prices are volatile and suitable steps are taken accordingly to minimize risk on the same. The Company enter into contracts for procurement of material, most of the transactions are short term fixed price contract and a few transactions are long term fixed price contracts. The Company does not indulge in commodity hedging activities.

In terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/000000141 dated November 15, 2018 the details are provided herein below:

- (a) Total exposure of the listed entity to commodities in INR:



(b) Exposure of the listed entity to various commodities:

| Commodity Name | Exposure in INR towards the particular commodity (Rs. In Lakhs) | Exposure in Quantity terms towards the particular commodity (Qty. in MT) | % of such exposure hedged through commodity derivatives | | | | Total |
|--------------------------|---|--|---|----------|----------------------|----------|-------|
| | | | Domestic market | | International market | | |
| | | | OTC | Exchange | OTC | Exchange | |
| Steel (Raw material) | 34,571.60 | 55,042.02 | NIL | | NIL | | NIL |
| Cotton (Raw material) | 24476.03 | 11009.614 | NIL | | NIL | | NIL |
| Aluminium (Raw material) | 14152.51 | 6,180.00 | 100% | | - | | 100% |

(c) Commodity risks faced by the listed entity during the year and how they have been managed: The Company placed the order of commodities raw material on daily basis as and when it procures the sales orders.

xix. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable

xx. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

xxi. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable

xxii. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. Details relating to fees paid to the Statutory Auditors are given in Note 25(a) to the Standalone and Consolidated Financial Statements.

xxiii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No. of Complaints filed during the financial year- Nil

No. of Complaints disposed of during the financial year – Nil

No. of Complaints pending as on end of the financial year – Nil

xxiv. The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board: i) Knowledge - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates, ii) Behavioral Skills - attributes and competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders, iii) Strategic thinking and decision making, iv) Financial Skills, v) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.

xxv. Chart / Matrix setting out the skills / expertise / competence of the Board of Directors:

Details of the skills/ expertise/ competencies possessed by the Directors who were part of the Board as on 31st March, 2023, are as follows:



| Name and Designation | skills/expertise/competence |
|---|--|
| Dr. Sharad Kumar Saraf - Chairman & Managing Director | He has over 5 decades of experience in the Administration, Marketing, Strategic, Business development and Commercial aspects of the company. |
| Mr. Sudarshan Kumar Saraf - Co- Chairman & Managing Director | He has over 5 decades of experience in the Engineering Operations, Production, Process improvement of the Company |
| Mr. Navneet Kumar Saraf - Whole-time Director & CEO | He has over 23 years of experience for managing domestic as well as overseas, operation of engineering and I.T. Operations. Technology matters and Business Administration. |
| Mr. Ashish Kumar Saraf - Whole-time Director & CFO | He has over 21 years of experience in the yarn, garment, and fabrication industry and of Finance Accounts Marketing and administration in Industry. |
| Mr. Atanu Choudhary- Whole-time Director | He is having over 4 decade of experience in steel and pipe industries, managing factory operations, HR and administration activities, Compliances, liaisoning. |
| Mr. Vinod Agarwala- Independent Director | He is having vast legal experience over 3 decades, he is Practicing Solicitor & Advocate High Court, Bombay, Solicitor, Supreme Courts of England & Wales. |
| Mr. V. C. Saraf- Independent Director | He has more than 51 years of business experience for Operations, Production, and Process improvement in manufacturing industries. |
| Mr. Jagdeesh Mal Mehta Independent Director | He has career spanning for over 55 years. He has an Excellent track record in managing various types of companies like, oil & Gas (Refinery), Textiles, Chemicals, Power, News Paper etc. |
| Mr. Aubrey Rebello Independent Director | He is having over 45 years of Corporate Business Experience as CEO, Business Head at TATA's & Bayer. His domain expertise covers Auto, Financial Services, Materials Management, Marketing & Sales, and L&D. |
| Ms. Vaishali Choudhari Independent Director | She is a practising Advocate / Counsel in the High Court of Bombay for the last more than 22 years handling varied litigation and legal matters. |

xxvi. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': Details are given in Note No. 6F of Standalone Financial Statements and Consolidated Financial Statements.

xxvii. Details of material subsidiary of the listed entity including the date and place of incorporation and the name and date of appointment of the Statutory auditors of such subsidiary:

AAIT/ Technocraft Scaffold Distribution LLC FZE is a material subsidiary of the Company for FY 2022-23 as per the thresholds laid down under the Listing Regulations, it was incorporated on May 23, 2011. Auditor: Sweta Sonthalia, Chartered Accountant, is appointed as Statutory Auditor of AAIT for FY starting from April 1, 2022.

II. COMPLIANCE

i. Auditors' Certificate on Corporate Governance:

The Company has obtained a Certificate from Pramod Jain & Co, Company Secretaries, regarding compliance of the conditions of Corporate governance, as stipulated in Regulation 34 (3) and PART E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which together with this Report on Corporate Governance is annexed to this Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company.

ii. Disclosures with respect to demat suspense account/ unclaimed suspense account:

No shares are in demat suspense accounts/ unclaimed suspense account.



III. INVESTOR SAFEGUARDS AND OTHER INFORMATION:

i. Revalidation of Dividend warrants:

In respect of members who have either not opted for NECS/ECS mandate or do not have such a facility with their banker and who have not encashed earlier dividends paid by the Company, are requested to write to Company's Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund.

ii. Transfer of Unclaimed Dividend and respective equity shares into Investor Education & Protection Fund (IEPF):

Under the Companies Act, 2013, dividends which remain unclaimed for a period of 7 years are required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government.

Further, pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, which have come into effect from September 7, 2016, stipulates that shares on which dividend has not been encashed or claimed for seven consecutive years or more, then such shares are to be transferred to the Investor Education and Protection Fund (IEPF), a Fund constituted by the Government of India under Section 125 of the Companies Act, 2013.

Accordingly, the Company has transferred to the IEPF Authority all the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years i.e. till Financial Year 2015-16. Thereafter no dividend was declared by the Company. As on the date of signing of the Board Report no unclaimed dividend are pending with the Company/Bank.

iii. Demat of shares/ Update Address/ E-mail Address/ Bank details:

To receive all communications/corporate actions promptly, members holding shares in dematerialized form are requested to please update their address/email address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

Further, all the shareholders who are still having shares in physical form are requested to open a demat account with a Depository Participant (DP) and deposit your physical shares with such DP and get your shares in demat form.

iv. Electronic Service of Documents to Members at Registered Email Address:

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rule provides that advance opportunity should be given at least once in a financial year to the Members / Members for registering their email address and changes therein, as may be applicable. Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members / members whose shareholding is in dematerialized form and whose email Ids are registered with the Depository for communication purposes. As regards Members / Members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to Members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/ updated from time to time. We wish to reiterate that members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from



time to time and Members holding shares in physical form have to write to our RTA, M/s Link Intime India Private Limited at their specified address, so as to update their registered email address from time to time.

It may be noted that the annual report of the company will also be available on the company's website www.technocraftgroup.com for ready reference. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the member, any time, as a member of the company.

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT FOR FINANCIAL YEAR ENDED MARCH 31, 2023.

This is to affirm that the Board of Directors of Technocraft Industries (India) Limited has adopted a Code of Conduct for its Board Members and Senior Management Personnel in compliance with the provisions of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that the Board Members and Senior Management Personnel of the Company have affirmed the compliance of provisions of the said code for the financial year ended March 31, 2023.

Place: Mumbai

Navneet Kumar Saraf

Date: May 29, 2023

Chief Executive Officer

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION IN COMPLIANCE WITH THE PROVISIONS OF REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Navneet Kumar Saraf, Chief Executive Officer and Ashish Kumar Saraf, Chief Financial Officer of Technocraft Industries (India) Limited have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of their knowledge and belief:

- a. (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Mumbai

Ashish Kumar Saraf

Navneet Kumar Saraf

Date: May 29, 2023

Chief Financial Officer

Chief Executive Officer



CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE

To
The Members
Technocraft Industries (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Technocraft Industries (India) Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation on thereof, adopted by the company for ensuring compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the company has complied with the conditions of corporate governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Pramod Jain & Co.**
Company Secretary

Place: Indore
Date: May 29, 2023

(Pramod Kumar Jain)
Proprietor
FCS No. 6711 CP No. 11043
UDIN: F006711E000405604



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
TECHNOCRAFT INDUSTRIES (INDIA) LIMITED
Technocraft House, A-25, Road No. 3
MIDC Industrial Estate, Andheri (East),
Mumbai 400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Technocraft Industries (India) Limited** having **CIN L28120MH1992PLC069252** and having registered office at **Technocraft House, A-25, Road No. 3, MIDC Industrial Estate, Andheri (East), Mumbai 400093** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Maharashtra, Mumbai or any such other Statutory Authority:

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|-------------------------------|----------|--------------------------------|
| 1. | Sharad Kumar Saraf | 00035843 | 28/10/1992 |
| 2. | Sudarshan Kumar Saraf | 00035799 | 28/10/1992 |
| 3. | Ashish kumar Saraf | 00035549 | 29/09/2015 |
| 4. | Navneet Kumar Saraf | 00035686 | 14/09/2001 |
| 5. | Atanu Anil Choudhary | 02368362 | 10/08/2015 |
| 6. | Vishwambhar Chiranjilal Saraf | 00161381 | 29/09/2015 |
| 7. | Jagdeesh Mal Mehta | 00847311 | 19/12/2013 |
| 8. | Vinod Balmukand Agarwala | 01725158 | 29/09/2015 |
| 9. | Vaishali Mukund Choudhari | 06847402 | 22/03/2014 |
| 10. | Aubrey Ignatius Rebello | 08091710 | 30/05/2018 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Pramod Jain & Co.**
Company Secretary

Place: Indore
Date: May 29, 2023

(Pramod Kumar Jain)
Proprietor
FCS No. 6711 CP No. 11043
UDIN F006711E000405527



MANAGEMENT DISCUSSION & ANALYSIS REPORT 2022-23

Industry structure and developments:

ECONOMIC REVIEW

Global Economic Outlook

The world economy is projected to grow by 2.3 per cent in 2023 and 2.5 per cent in 2024, a slight uptick in the global growth forecast for 2023. In the United States, resilient household spending has prompted upward revision of growth forecast to 1.1 per cent in 2023. The European Union's economy driven by lower gas prices and robust consumer spending is now projected to grow by 0.9 per cent. China's growth this year is now forecast at 5.3 per cent as a result of COVID-19 related restrictions being lifted.

Inflation has remained stubbornly high in many countries even as international food and energy prices fell substantially in the past year. Average global inflation is projected at 5.2 per cent in 2023, down from a two-decade high of 7.5 per cent in 2022. While upward price pressures are expected to slowly ease, inflation in many countries will remain well above central banks' targets. Amid local supply disruptions, high import costs and market imperfections, domestic food inflation is still elevated in most developing countries, disproportionately affecting the poor, especially women and children

Exceptionally strong labour markets are, however, making it harder for central banks to tame inflation. The Federal Reserve, the European Central Bank and central banks in other developed countries have continued to raise interest rates in 2023, but at a slower pace than last year, which saw the most aggressive monetary tightening in decades. The banking sector turmoil in the United States and Europe has added new uncertainties and challenges for monetary policy. Although swift and decisive actions by regulators helped contain financial stability risks, vulnerabilities in the global financial architecture and the measures taken to contain them will likely dampen credit and investment growth going forward.

Indian Economic

Our overall outlook for the Indian economy remains positive: It expect investments to see a turnaround and thrust the economy into sustainable growth. India will likely grow at a moderate pace of 6.0%–6.5% in FY 2023–24, as the global economy continues to struggle. Growth in the next year will likely pick up as investments kick start the virtuous circle of job creation, income, productivity, demand, and exports supported by favorable demographics in the medium term.

It looks like the world has come out of the shadow of the pandemic and has, in fact, learned to live with it. However, geopolitical crises, supply chain reorientations, global inflation, and tight monetary policy conditions will weigh on the outlook. We have delved into these challenges in detail in our previous outlooks.

Outlook

Drum Closure

The Drum closure market is linked with Industrial Drums market. The Industrial Drums Market was valued at USD 11.61 billion in 2021 and is expected to reach USD 15.90 billion by 2027, registering a CAGR of 5.23% over the forecasted period 2022-2027. The increase in the overall demand for Industrial Drum from the Chemical and Fertilizers and Petroleum Lubricant Industries, as well as the growing focus on strengthening Supply Chain capabilities among the end-users, are the primary drivers for the industrial drums market.

Asia Pacific is expected to Witness a Significant Growth Rate. The rapidly evolving industrial and manufacturing sector in the Asia-Pacific region is expected to increase the usage of industrial drums as manufacturers are continuing to expand their manufacturing bases to emerging economies like China, India, and Indonesia.

Large-scale palm oil exports from China and India may result in a major increase in the demand for industrial drums in the region.

According to USDA Foreign Agricultural Service, the retail food industry was the most valuable among other segments in the food industry in India.



Countries in the Asia Pacific, such as China and India, with strong agricultural production rates, are improving their export volume by implementing effective means of storage, transport, and packaging solutions.

Scaffolding and formwork

Market Research Future (MRFR) expects the global scaffolding market to grow at a CAGR of approximately 6.3% from 2020 to 2027 (forecast period).

Scaffolding is characterized as the erection, alteration or dismantling of a temporary structure, specially erected to support a platform. Scaffolds are widely used for working at heights, and it involves the risk for a scaffolder (person working on a scaffold) to fall from an incomplete scaffold during the erection and dismantling of a scaffold.

Scaffolding is a form of prefabricated construction that entails large structures or components of construction built off-site, generally at factories to be erected later on-site on a concrete foundation. Increasing FDI in construction in the Asia Pacific region and supportive government regulations and policies are driving the scaffolding market. The scaffolding market is constrained by factors such as fluctuating raw material prices and slower economic growth, which impede market growth.

Textiles

The global textile market stood at a value of around USD 1002.4 billion in 2020. The market is further expected to grow at a CAGR of 4.5% in the forecast period of 2023-2028 to attain a value of around USD 1305.4 billion by 2026.

The textile industry in the Asia Pacific is expected to witness a significant growth, owing to the thriving fashion and clothing industry in countries like India, China, and Vietnam, among others. Over the forecast period, the growing trade agreements between various countries to support the textile sector is likely to aid the market in the region. For instance, in India, 100% foreign direct investment (FDI) is allowed in the textile sector. Further, the market is expected to be augmented by the growing demand for medical textiles, especially after the COVID-19 pandemic.

BUSINESS OVERVIEW

The Company is a multi-product manufacturing company, which manufactures high precision and sophisticated products, mainly for discerning worldwide markets. The Company enjoys a significant position in business industries viz., Drum Closures, Scaffolding systems & accessories, Engineering and Designing Services, Cotton Yarn, Fabric and Garments.

The product line of the Company expands beyond Drum Closures into scaffolding systems and accessories and 100% Cotton Yarn, Fabric and Garments.

The Company has diversified operations and manufacturing including, vertically Integrated Textile division of manufacturing of Yarn, Fabric, and Garments. It has facility of producing cotton yarn, mélange yarn, also having facility of knitting, dyeing and printing and garmenting.

The Cotton Yarn division uses the most modern equipment to manufacture its product assuring world-class quality to its customer. Technocraft is certified ISO 9001:2000 for its Cotton Yarn division.

Drum Closure

Each steel drum requires one set of closure, a precision engineering product so as to ensure that the liquid inside does not spill out. The Company has designed and developed the next generation technology for manufacturing of drum closures. It also manufactures all its gaskets and clamps and offers a full range of drum closure products to its clients. With patented technology, there has been substantial reduction in manufacturing costs, improvement in quality and this has helped catapult TIL to the second largest global manufacturer of steel drum closures.

Your Company is the second largest manufacturer of steel Drum Closures and continues to enjoy a worldwide market share of about 36% (excluding China). The Company produces a wide variety of closures and related equipment ranging from fully automatic flange insertion systems to cap-sealing tools. The Company caters to all leading steel drum manufacturing companies of the world.

Revenue from Operations stood at ₹ 535 Crores as compare to previous year of ₹ 584 Crores. Profit Before Tax and Finance Cost but after Depreciation stood at ₹ 163 Crores as compare to ₹ 200 Crores of previous year.



Out of the total revenue of drum division, approximately 89.02% of revenue was generated from Export Sales.

Scaffoldings & Formwork

Scaffolding is a temporary structure used to support people and material in the construction industries, real estate and any other large structures. It is usually a modular system of metal pipes or tubes, although it can be from other materials also.

The Company is a leading Indian manufacturer and distributor of scaffoldings and formwork systems. The Company has been supplying scaffoldings to global markets for over 20 years. During the Financial Year the company has increased its domestic sale, as the Company has started supplying to various infra Projects.

Despite the volatile nature of construction and allied activities, the Scaffolding & Formwork (S&F) market is thriving in India and one can expect brighter times ahead.

With the government laying special emphasis on construction and infrastructural development in the 12th Five Year Plan, opportunities abound in the Indian Scaffolding and Formwork (S&F) Industry. With the demand rising in the wake of ongoing and future projects, S&F manufacturers are keeping pace with the Construction Industry.

The Company has strategically located state-of-the-art manufacturing facilities with installed capacities of 40,000 MT in India. The Company is positioned as an end-to-end solution provider owing to its well-integrated manufacturing capability. The Company supplies its products to a diversified set of end markets including oil & gas, power, refineries, petrochemical, infrastructure and commercial construction.

The Company is present in the premium segment of Scaffolding business. Scaffolding segment is growing on the back of the strong demand from the international infrastructure markets and also getting good response from infra projects in India.

The Company's Scaffolding segment comprises of Scaffolding and Formwork business. Its major revenues accrue from overseas markets. The Company is also started giving its scaffolding on rental basis; The Company is finding good scope and margin in this growing business.

Formwork Business

Formwork is the term given to either temporary or permanent molds into which concrete or similar materials are poured. Traditionally, formwork was built using easy to produce timber and plywood, or moisture-resistant particleboard. Over a period of time formwork is now made more of steels which are more durable and reusable.

Looking at Indian government's focus on rapid infrastructural development across the country by constructing railways, roads, bridges, dams, airports, power plants and many more, construction is now growing at a fast pace. Contractors have started adapting newer technologies, faster systems, advanced concrete techniques and better and established management tools.

Engineered Formwork Systems are built out of prefabricated modules with a metal frame - usually of steel or aluminum - and covered on the application (concrete) side with material having the wanted surface structure (steel, aluminum, plastic, timber, etc)

The Company has entered into manufacturing of sophisticated engineered Formwork systems for building, construction and infrastructure projects in India. The Company has state-of-the-art manufacturing plant in India and is well placed to play a larger role in the construction growth in India and overseas, with a network of offices at Mumbai and overseas.

MÄCH ONE

MÄCH ONE is a very lightweight Formwork system made of high quality Aluminum Extrusion with admirable strength to take on the site conditions. MÄCH ONE Aluminum forms is best suited for construction of residential units and mass housing projects. It is fast, simple, adaptable and cost effective. It produces total quality work which requires minimum maintenance and when durability is the prime consideration. The system is designed for maximum repetitions with very stringent tolerances, well designed edges to resist sight abuses. This system is most suitable for Indian condition as a tailor made aluminum formwork for cast in-situ fully concrete structure. As per industry reports, 80% of the total cost of scaffolding is attributed towards labor cost that is involved in loading and unloading and erection and dismantling



of scaffolding. With MÄCH PLUS we have made this cost more efficient by making the entire system lighter without compromising on the required strength

TEMPORARY LABOUR SHELTER

Turnkey solutions for corporations Workers are your frontline fighters in the war against a possible economic crisis. Keeping your workforce safe will ensure efficient productivity. Protect your work force through Technocraft's effective solution for manufacturing units. Build low cost housing compatible with Govt. of India Guidelines: Low Cost, Modular Two Levels, Optimum Space Utilization, Large Capacity of Beds, Spacious Rooms for People, Quick Assembly Easy Dismantling and Lower Space Requirement. Temporary On-site facility for 100 workers can be erected in 7 days.

Consolidated Revenue from Operations of scaffolding division increased by 26 % from ₹ 707 Crores to ₹ 890 Crores. Consequently Profit before Tax and Finance Cost but after Depreciation increased by 149% from ₹ 91 Crores to ₹227 Crores.

Textile (Fabric and Yarn)

The Company is having a yarn division having consolidated capacity of around 55,000 spindles. New capacity expansions announced by the Company i.e. 31,000 spindles in Amravati in subsidiary company i.e. Technocraft Textiles Ltd, is under process and 16,000 spindles in Murbad in subsidiary company Technocraft Specialty Yarns Ltd is on hold.

The Company produces variety of products ranging from NE 20 to NE 40, Carded and Combed varieties of Cotton Yarn. The Spinning mill is equipped with world-class Swiss, Japanese, German, Spanish equipment. Currently, the Company exports approx. 24.19% of garment products mainly in Europe, Asia, Latin American countries etc.

The Company manufactures premium quality active wear products and provides superior service. Products are custom knit, dyed, finished, cut, sewn, decorated, packaged and distributed.

Being part of a diverse group, the Company has access to the latest trends in the European markets, thus enabling it to offer high quality products and latest fashions with Indian prices in a very short lead-time.

Division has made significant structural changes. Company's Grey Cotton Yarn operations are now based in Amravati which is cotton growing area and has cost effective operations and has shown substantial improvements in revenue as well as profits. In Murbad, company now produces only value added high margin products like Melange yarn and fabric. These are also generating substantially better revenue and profit. Overall, this division has now been re-engineered and all loss making products and locations has been plugged.

Revenue from Operations of Textile (Fabric and Yarn) Division stood at ₹ 524 Crores as compared to ₹ 663 Crores of previous year. Loss before Tax and Finance Cost but after Depreciation of Textile (Fabric and Yarn) Division stood ₹30 Crores as compare to profit of ₹47 Crores.

Engineering & designing services through Subsidiary

Technosoft Engineering Projects Limited ('Technosoft') is a subsidiary of the Company. Technosoft is a global technology services company offering broad-based engineering, designing and IT services using a variety of client-partnership models for delivery. Technosoft's client base spans various industry verticals including heavy machinery, automotive, aerospace, manufacturing, oil & gas, high-tech, telecom, healthcare and financial services. The company's client base is widely spread globally including many clients from US, Canada, UK and Germany.

Technosoft has a strong team of over 450 engineers and designers located worldwide. Its engineers and designers are equipped with state-of-the-art hardware and software tools, including tools for 3-D modeling, Finite Element Analysis and process simulation.

Technosoft operates in North America through its subsidiaries, which provides general engineering & designing services

Revenue from Operations increased by 25% from ₹ 136 Crores to ₹ 109 Crores. Profit before Tax and Finance Cost but after Depreciation increased by 17% to ₹ 27 Crores as compare to ₹ 23 Crores of previous year.

Out of the total revenue of this division, approximately 95.38% of revenue was generated from Export.



OPPORTUNITY & FUTURE PLAN

For an enterprise there is nothing more important than to find and exploit new market opportunities. The Company is focusing in exploring new products in scaffolding / formwork 'Temporary Labour Shelter' and 'Mäch One' are the some examples of it. The Company has also started new spinning unit at Amravati.

The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 percent of Gross Domestic Product (GDP) by 2025.

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Likewise Ministry of Heavy industries and Public Enterprises, in partnership with industry associations, has announced creation of a start-up center and a technology fund for the capital goods sector to provide technical, business and financial resources and services to start-ups in the field of manufacturing and services.

Focus of the company is to consolidate and grow its position in each of its core businesses which is Drum Closures, Scaffolding, Engineering & designing Services and Textiles. The Company sees the Drum Closure division growing at same or higher rate next year and this is certainly one of its core focus areas.

The Company is working strongly and increasing the sales and profitability in China which is one of the main growing markets for Drum Closures division. Drum Closure division is growing in China.

Government initiatives such as RERA, Affordable housing, Smart Cities etc. are expected to bring a transformational shift and boost growth of Indian real estate industry, which will create tremendous growth in scaffolding. Awareness towards safety will also generate more demand and growth for scaffolding business.

RISK & THREAT

Global Slowdown - More than 50% of TIIL's revenue comes from global markets. Any slowdown in economic activities in global markets in general and U.S. market in particular may affect TIIL's performance.

Foreign exchange - Being an export oriented company, the Company's competitiveness, revenue growth & margins may be affected in case Indian Rupee appreciates significantly against major global currencies in long run. In the short run, volatility in foreign exchange markets may affect the Company's profitability as it does not hedge its export receivables fully.

Commodity prices - Increase in commodity prices like steel & cotton may affect the Company's performance in case it unable to pass the rise in commodity prices to its customers.

Capital allocation – The Company's certain businesses generate significant cash flows and The Company's cash & cash equivalents/ Bank balance and current/financial investments were stood at ₹ 16906.64 Lakhs and ₹ 1203.77 Lakhs respectively as on March 31, 2023. TIIL's management has plans to invest this amount into various businesses and keep looking for inorganic growth opportunities. Inorganic growth opportunities pursued in future may or may not generate economic returns as desired due to various factors. However, management has narrowed down focus to "engineering" area (considering management's background & expertise) while pursuing inorganic growth opportunities and evaluating certain opportunities in specialized drum closures/scaffolding segment and engineering services segment.

Market Share- any rise in competitive landscape in domestic or international markets can lead to reduction in market share and can affect profitability.

Financing: The Company's growth strategy is dependent on the internal cash generation level and ability to draw external capital for growth projects.

Considering the industry volatility, Technocraft continued its journey of developing new markets and products and enhancing value added services to its customer.

The Company aims to address risks, opportunity and threat posed by the business environment by developing appropriate risk mitigation measure.

The Management has also put in place effective measures to monitor the Risk Management System and appropriate steps are taken to strengthen the existing business practices and policies to the overcome the challenges.



Risk Management System is a way to try alternative solution as to determine what works and what doesn't and testing and refining assumptions.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Internal Control System plays an integral role in the Company's Success. It helps the management to monitor the effectiveness of the controls in an ever-changing environment. Internal control and risk management are critical in the process of setting and achieving operational, strategic, compliance and reporting objectives.

The Company's internal control policies are in line with its size and nature of operations and they provide assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly following all applicable statutes and General Accepted Accounting Principles.

The Company has an Audit Committee, where all the members including the Chairman are independent directors, in order to maintain objectivity. Internal Auditor of the Company conducts audit in various functional areas. Audit planning and executions are oriented towards assessing the state of internal controls, making them stronger and addressing the risks in the functional areas of the Company. Internal Auditor, reports to the Audit Committee its findings and observations. Audit Committee meets at regular intervals to review audit issues and follow up on implementation of corrective actions.

Besides the above, the Company has also met the Internal Financial Control requirements as per Companies Act, 2013 where policies and procedures have been adopted by the Company 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. Audit Committee also seeks views of the statutory auditors on the adequacy of internal control systems in the Company. In compliance with Section 143(3)(i) of the Act, the Statutory Auditors have issued an unmodified report on the Internal Financial Controls over Financial Reporting which forms a part of the Independent Auditors' Report also forming part of this Annual Report.

SEGMENT WISE FINANCIAL PERFORMANCE

The summarized segment-wise performance of the Company on consolidated basis for the Financial Year 2022-23 is as follows:

(₹ In Lakhs)

| Particulars | Year Ended | |
|---|-------------------|--------------------|
| | 31.03.2023 | 31.03.2022 |
| Income from operations | | |
| a. Drum Closures Division | 53,477.86 | 58,391.04 |
| b. Scaffoldings Division | 88,944.21 | 70,732.13 |
| c. Yarn Division | 34,268.49 | 40,309.86 |
| d. Fabric Division | 18,145.59 | 25,938.54 |
| e. Engineering & Design | 13,621.95 | 10,857.26 |
| f. Others | 22.36 | 280.61 |
| Total | 208,480.46 | 2,06,509.44 |
| Less : Inter Segment Revenue | 10,027.27 | 15,398.94 |
| Total Income | 198,453.19 | 1,91,110.50 |
| Profit/(Loss) after Depreciation but Before Finance Cost & Tax & Exceptional Items | | |
| a. Drum Closures Division | 16,251.79 | 20,005.91 |
| b. Scaffoldings Division | 22,724.68 | 9,128.55 |
| c. Yarn Division | (1,769.08) | 5,011.51 |
| d. Fabric Division | (1,244.11) | (351.71) |



| Particulars | Year Ended | |
|---|------------------|------------------|
| | 31.03.2023 | 31.03.2022 |
| e. Engineering & Design | 2,721.46 | 2,324.04 |
| f. Others | (40.36) | 74.54 |
| Total | 38,644.38 | 36,193.14 |
| Less : | | |
| i. Finance Cost | 2,793.22 | 2,127.09 |
| ii. Other un-allocable expenditure net off un-allocable income | (326.37) | (1467.67) |
| iii Share of Loss in Associate | 0.02 | 0.02 |
| Total Profit Before Tax from Continuing Operations & Exceptional Items | 36,177.51 | 35,533.70 |
| Exceptional Items | - | 473.65 |
| Total Profit Before Tax from Continuing Operations but after Exceptional Items | 36,177.51 | 36,007.35 |

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company believes that a good Human Resource Policies are very effective for supporting and building the desired organisation culture and to maintain the same our company takes actions on the day-to-day activities of the organization.

The Company continues to focus on creating strong and long term relationship with all employees as employee retention and development are among the highest priorities of the Company.

The Company is working on enhancing its competencies to take care of current and future business. Human Resource and Industrial Relations departments have developed systems and policies on recruitment, performance management, learning and development, and employee engagement.

The workers union of the Company has maintained healthy and cordial industrial relations, and has been an equal partner in implementing Company's policies and achieving stretched operational targets, year on year.

PERFORMANCE SNAPSHOT

The standalone financial highlights for FY 2022-23 are as follows:

(₹ In Lakhs)

| Particulars | FY 2022-23 | FY 2021-22 | Variance |
|--|-------------|-------------|------------|
| Revenue from operations | 1,82,509.02 | 1,66,690.09 | 15,818.93 |
| Profit before Tax- Continued Operation | 24,775.56 | 29,233.80 | (4,458.24) |
| Net Profit / (Loss) for the period from Continuing & Discontinued Operations | 19,017.75 | 22,173.42 | (3,155.67) |

Key Financial Ratios

| Ratios | FY 2022-23 | FY 2021-22 | Change% |
|---------------------------|------------|------------|---------|
| Debtors Turnover | 3.32 | 3.78 | -12.32 |
| Inventory Turnover | 4.19 | 4.44 | -5.70 |
| Interest Coverage Ratio | 14.38 | 21.90 | -34.34 |
| Current Ratio | 1.72 | 2.26 | -23.78 |
| Debt Equity Ratio | 0.44 | 0.31 | 41.06 |
| Operating Profit Margin % | 17.74 | 21.13 | -16.03 |
| Net Profit Margin % | 10.42 | 13.30 | -21.67 |
| Return on Net Worth % | 16.18 | 20.87 | -22.49 |

**Notes:**

Interest Coverage Ratio decreased by 34.34% and debt equity Ratio increased by 41.06 due increase in debt/ loan, which was borrowed for the capital expenditure of new projects of the textile division.

CAUTIONARY STATEMENT

Statements made in Management Discussion and Analysis Report describing the Company's objectives, estimates, expectations or predictions are "Forward looking Statement" within the meaning of applicable laws and regulations. They are based on certain assumptions and expectations of future events. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operation include global and Indian demand- supply condition, raw material availability, trained manpower, changes in Government regulations, tax regimes, economic development within India and the countries within which the Company conducts business and other incidental factors.



ANNEXURE-VIII TO THE BOARD'S REPORT

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity :

1. **Corporate Identity Number (CIN) of the Listed Entity** - L28120MH1992PLC069252
2. **Name of the Listed Entity** – Technocraft Industries (India) Limited
3. **Year of incorporation** - 1992
4. **Registered office address** - Technocraft House, A-25, MIDC Road No. 3, Andheri East, Mumbai -400093
5. **Corporate address** - Technocraft House, A-25, MIDC Road No. 3, Andheri East, Mumbai -400093
6. **E-mail** - investor@technocraftgroup.com
7. **Telephone** - + 91 22 4098 2222
8. **Website** - <http://technocraftgroup.com/>
9. **Financial year for which reporting is being done** – 2022-23
10. **Name of the Stock Exchange(s) where shares are listed :**

| Name of the Exchange | Stock Code |
|---------------------------------------|------------|
| BSE Ltd. | 532804 |
| National Stock Exchange of India Ltd. | TIIL |

11. **Paid-up Capital** – 22.96 Cr
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report –**
 Mr. Neeraj Rai, Company Secretary
 Email- investor@technocraftgroup.com
 Tel: + 91 22 4098 2222
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).** – The disclosures are made on a standalone basis

II. Products/services

14. **Details of business activities (accounting for 90% of the turnover):**

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|---|---|-----------------------------|
| 1. | Manufacture of Drum Closures, Scaffoldings, Textile | Company is a predominant player in the precision engineering sector | 97.26 |

15. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

| S. No. | Product/ Service | NIC Code | % of Turnover contributed |
|--------|---|---------------------|---------------------------|
| 1. | Manufacturing of Drum Closures | 24109,25999 | 24.54 |
| 2. | Manufacturing of tubes and Scaffoldings | 24106 | 49.07 |
| 3 | Manufacture of knitted and crocheted cotton fabrics, Preparation and spinning of cotton fiber, Manufacture of textile garments. | 13111, 13911, 14101 | 26.40 |



III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 4 | 1 | 5 |
| International | NA | NA | NA |

17. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 22 |
| International (No. of Countries) | 80 |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Total exports of the Company during reporting period were 58.43%

c. A brief on types of customers:

The Company's customers are from a B2B segment.

IV. Employees

18. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 1304 | 1206 | 92.48 | 98 | 7.52 |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | Total employees (D + E) | 1304 | 1206 | 92.48 | 98 | 7.52 |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 464 | 461 | 99.35 | 3 | 0.65 |
| 5. | Other than Permanent (G) | 1829 | 1788 | 97.76 | 41 | 2.24 |
| 6. | Total workers (F + G) | 2293 | 2249 | 98.08 | 44 | 1.92 |

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|---|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 1 | 1 | 100.00 | 0 | 0.00 |
| 2. | Other than Permanent (E) | | | Nil | | |
| 3. | Total differently abled employees (D + E) | 1 | 1 | 100.00 | 0 | 0.00 |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | | | | | |
| 5. | Other than permanent (G) | | | Nil | | |
| 6. | Total differently abled workers (F + G) | | | Nil | | |



19. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|---------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 10 | 1 | 10.00 |
| Key Management Personnel* | 6 | 0 | 0.00 |

*KMP includes 5 MD/WTD which are also Board Members.

20. Turnover rate for permanent employees and workers (in percent)

| | FY 2022-23 | | | FY 2021-22 | | | FY 2020-21 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 31.66 | 28.88 | 30.27 | 16.03 | 23.93 | 19.98 | 31.66 | 28.88 | 30.27 |
| Permanent Workers | 1.49 | 1.44 | 1.47 | 1.33 | 1.77 | 1.55 | 1.49 | 1.44 | 1.47 |

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding/ subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|--|--|-----------------------------------|--|
| 1. | Technosoft Engineering Projects Limited | Subsidiary | 84.02 | No |
| 2. | Techno Defence Private Limited | Subsidiary | 70.00 | No |
| 3. | Technocraft Fashions Limited | Subsidiary | 100.00 | No |
| 4. | Shivale Infra Products Private Limited | Subsidiary | 100.00 | No |
| 5. | Technocraft Textiles Limited | Subsidiary | 100.00 | No |
| 6. | Technocraft Formworks Private Limited | Subsidiary | 100.00 | No |
| 7. | Technocraft Specialty Yarns Limited | Subsidiary | 100.00 | No |
| 8. | Technocraft Tabla Formwork Systems Pvt Ltd. | Subsidiary | 65.00 | No |

* Abovementioned are Technocraft's Indian Subsidiaries. Rest of the subsidiaries/ associates/ joint venture details are stated in Board Report Section of Annual Report. None of these entities participate in the Business Responsibility initiatives of the Company.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs. in lakhs): 1,82,509.02

(iii) Net worth (in Rs. in lakhs): 1,178.88



VII. Transparency and Disclosures Compliances

23. Complaints/Grievance on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) <i>(If Yes, then provide web-link for grievance redress policy)</i> | FY 2022-23 | | | FY 2021-22 | | |
|---|---|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes. The grievance can be raised on: https://technocraftgroup.com/Contact-Us.aspx | 0 | 0 | NA | 0 | 0 | NA |
| Investors (other than shareholders) | NA | NA | NA | NA | NA | NA | NA |
| Shareholders | Yes. SEBI specified mechanism of SCORES is available at https://scores.gov.in Additionally, Shareholders can write to RTA & Stock Exchanges & to the Company at investor@technocraftgroup.com | 1 | 0 | NA | 0 | 0 | NA |
| Employees and workers | Yes. The grievance can be raised on: https://technocraftgroup.com/Contact-Us.aspx Additionally, HR can be approached for any grievances | 0 | 0 | NA | 0 | 0 | NA |
| Customers | Yes. The grievance can be raised on: https://technocraftgroup.com/Contact-Us.aspx | 0 | 0 | NA | 0 | 0 | NA |
| Value Chain Partners | Yes. The grievance can be raised on: https://technocraftgroup.com/Contact-Us.aspx | 0 | 0 | NA | 0 | 0 | NA |

24. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------|--|---|--|--|
| 1 | Energy Management | Risk | Energy is a critical input in industrial machinery manufacturing. Purchased electricity represents the largest share of energy expenditures in the industry, followed by purchased fuels. The type of energy used, magnitude of consumption, and energy management strategies depends on the type of products manufactured. High energy intensity results into high environment impact. | The Company strives to effectuate energy mix, including the use of electricity generated on-site, grid-sourced electricity, and the use of alternative energy- which plays an important role in influencing the cost and reliability of energy supply, and ultimately affect the company's cost structure, balance environment impact and regulatory risk. | Positive |



| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|--|--|--|---|--|
| 2 | Employee Health & Safety | Risk | <p>Employees in industrial machinery manufacturing facilities face health and safety risks from exposure to heavy machinery, moving equipment, and electrical hazards, among others. Creating an effective safety culture is critical to proactively mitigate safety incidents, which could result in higher healthcare costs, litigation, and work disruption.</p> | <p>The company attempts to curb the health & safety risks by implementing strong safety protocols, including incident reporting and investigation, and promoting a culture of safety, companies can minimize safety-related expenses and potentially improve productivity in the long term.</p> | Negative |
| 3 | GHG, Product Design & Lifecycle Management | Opportunity | <p>Many of the Industrial Machinery & Goods industry's products are powered by fossil fuels and therefore release greenhouse gases (GHGs) and other air emissions during use. Customer preferences for improved fuel economy combined with regulations addressing emissions are increasing the demand for energy-efficient and lower-emission products in the industry.</p> <p>The Company has been developing products with the mentioned characteristics are well-positioned to capture expanding market share, reduce regulatory risk, and improve brand value.</p> | NA | Positive |
| 4 | Materials Sourcing & Efficiency | Risk | <p>The Company is exposed to supply chain risks when critical materials are used in products. Companies in the industry manufacture products using critical materials with few or no available substitutes, many of which are sourced from deposits concentrated in only a few countries, which are subject to geopolitical uncertainty. Companies in this industry also face competition due to increasing global demand for these materials from other sectors, which can result in price increases and supply risks.</p> | <p>The company tries to limit the use of critical materials through use of alternatives, as well as secure their supply, thereby mitigate the potential for financial impacts stemming from supply disruptions and volatile input prices.</p> | Positive |



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | |
| 1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. Web Link of the Policies, if available | | | | | | | | | |

| Sr. No. | Name of policy | Link to Policy | Which Principles each policies goes into |
|---------|--|---|--|
| 1 | Whistle Blower Policy | https://technocraftgroup.com/pdf/Whistle-Blower-Policy.pdf | P1 |
| 2 | Code of Practice and Procedures for Fair Disclosure of UPSI: | https://technocraftgroup.com/pdf/Code-Of-Practices-And-Procedures-For-Fair-Disclosure-Of-UPSI.pdf | P1 |
| 3 | Code of Conduct: | https://technocraftgroup.com/pdf/Code%20of%20Conduct%20BoD.pdf | P1 |
| 4 | Policy on Board Diversity | Internal | P1 |
| 5 | Anti-Money Laundering and Combating terrorism Policy | Internal | P1 |
| 6 | Policy for determining "Material" Subsidiary Companies: | https://technocraftgroup.com/pdf/Policy-For-Determining-Material-Subsidiary-Companies.pdf | P1 |
| 7 | Archival Policy | https://technocraftgroup.com/pdf/Archival-Policy-TIIL.pdf | P1 |
| 8 | Preservation Policy | https://technocraftgroup.com/pdf/Preservation-Policy-TIIL.pdf | P1, P4 |
| 9 | Policy on Determination of Materiality: | https://technocraftgroup.com/pdf/Policy-on-Determination-of-Materiality-Reg.-30.pdf | P1, P4 |
| 10 | Policy on Related Party Transactions: | https://technocraftgroup.com/pdf/Policy-On-Related-Party-Transactions.pdf | P1, P4, P7 |
| 11 | Code of Conduct for Trading by Designated Person: | https://technocraftgroup.com/pdf/Code-Of-Conduct-For-Trading-By-Designated-Person.pdf | P1, P4, P7 |
| 12 | Anti-Bribery and Anti-Corruption Policy | Internal | P1, P7 |
| 13 | Risk Management Policy | Internal | P1, P2 |
| 14 | Conflict of Interest policy | Internal | P1, P4 |
| 15 | Non-discrimination policy | Internal | P1, P5, P8 |
| 16 | Supplier Code of Conduct | Internal | P2, P3, P9 |
| 17 | HR policy Manual | Internal | P3 |



| Sr. No. | Name of policy | Link to Policy | Which Principles each policies goes into |
|---------|---|---|--|
| 18 | Dividend Distribution Policy | https://technocraftgroup.com/pdf/Dividend_Distribution_Policy_TIIL.pdf | P3, P4 |
| 19 | Remuneration Policy: | https://technocraftgroup.com/pdf/Remuneration-Policy.pdf | P3, P4 |
| 20 | Corporate Social Responsibility (CSR) Policy: | https://technocraftgroup.com/pdf/Corporate-Social-Responsibility-(CSR)-Policy.pdf | P4, P8 |
| 21 | Grievance Redressal Policy | Internal | P5 |
| 22 | Child Labour | Internal | P5 |
| 23 | Prevention of Sexual Harassment policy | Internal | P5 |
| 24 | Cyber Security Policy | Internal | P9 |

| | | | | | | | | | | |
|----|--|--|-----|-----|-----|-----|-----|----|-----|-----|
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | No | | | | | | | | |
| 4. | Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <p>The Company has following certifications:</p> <ul style="list-style-type: none"> i. BIS License for QMS for Pipe Division ii. ISO 9001:2000 certification for QMS for its Yarn Division iii. Welding Certificate issued under European Standard EN 1090-3 for execution of structural aluminium components iv. ISO 45001: 2015 (For occupational health and management system) <p>The Company strives to maintain best operating practices in its operations.</p> | | | | | | | | |
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any. | <p>As a company and a member of the global community, it's imperative for the health of both, our business and our planet that we embrace new ways to move forward. We know sustainability is tied to business resiliency and growth, and that our size and scale can drive change that is good for all. The Company shall strive to set goals & achieve them in its ESG Journey going forward.</p> | | | | | | | | |
| 6. | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | | | | | | | | | |

Governance, leadership and oversight

| | |
|----|---|
| 7. | <p>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</p> <p>A shift towards more sustainable living is not only shaping new trends in every industry and ours is not an exception. Today the variety of products where innovation is used necessitates producers to continuously improve quality and offer products with a lesser carbon footprint. While doing this, apart from the monetary factors, non-monetary aspects of sustainability are essential in all round growth of the Business. This brings us to the formal recognition to the best practices which are required to be followed by the corporate in the Environment, Social & Governance gamut.</p> <p>The Company, in coming years, plans to gear up on its sustainability efforts by controlling its emissions, improving resource consumption, making processes efficient, being energy -light and ensuring multi-pronged digital focus, helping it improve existing practices.</p> |
|----|---|



| | | |
|----|---|--|
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Managing Directors, Whole-time Directors |
| 9. | Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | No |

| 10. Details of Review of NGRBCs by the Company: | | | | | | | | | | | | | | | | | | |
|--|--|----|----|----|----|----|----|----|----|--|----|----|----|----|----|----|----|----|
| Subject for Review | Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | Performance against above mentioned policies and follow up action is reviewed by the Board of Directors /Committee of Board, Nomination and Remuneration Committee, Risk Management Committee and Audit Committee, as applicable. The periodicity of these reviews is annual, once in every two to three years or whenever an update is required due to change in applicable laws. | | | | | | | | | Annually | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | The Company/Committee of Board monitors and completes the compliances on timely basis. | | | | | | | | | Quarterly | | | | | | | | |

| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|--|----|----|----|----|----|----|----|----|
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | Operationalization and effectiveness of policies have been evaluated by Dhir & Dhir Associates, a Law Firm. Evaluation was conducted on effectiveness of the working of policies. Policies are also periodically evaluated and updated by various department heads, business heads and approved by the management or board. The processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable. | | | | | | | | |

| 12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: | | | | | | | | | | |
|---|----|----|----|----|----|----|----|----|----|--|
| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | |
| The entity does not consider the Principles material to its business (Yes/No) | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | NA | NA | NA | NA | NA | NA | NA | NA | NA | |
| It is planned to be done in the next financial year (Yes/ No) | NA | NA | NA | NA | NA | NA | NA | NA | NA | |



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total Number of training and awareness programmes held | Topics/ principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|---|
| Board of Directors | 4 | Legal Updates; Business Updates | 100% |
| Key Managerial Personnel | 4 | Legal Updates; Business Updates; Cyber Security | 100% |
| Employees other than BoD and KMPs | 20 | The Company periodically updates and familiarises employees & workers on following topics: ▲ Code of Conduct which covers aspects such as Corporate Governance & Good Corporate Practices ▲ Behavioural training, ▲ Skill Development, ▲ Team Building, ▲ Webinars, ▲ Safety trainings, ▲ Mock Drills | 50% |
| Workers | 40 | | 50% |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year (basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

| Monetary | | | | | |
|-----------------|--|---|-----------------|-------------------|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/Fine | No fines or penalties was imposed on the Company during the year | | | | |
| Settlement | | | | | |
| Compounding Fee | | | | | |
| Non-Monetary | | | | | |
| Imprisonment | NIL | | | | |
| Punishment | | | | | |



3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory/enforcement agencies/ judicial institutions |
|--------------|--|
| NIL | NIL |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company is committed to conduct business ethically and in compliance with all applicable laws. The Code of Business Conduct and Ethics of the Company requires that the Company, its employees and anyone acting on behalf of the Company adheres to company policies and all applicable laws and it is ensured that non-compliance of any sort would lead to strict actions. The ABAC policy of the Company is available internally to its stakeholders.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| | FY 2022-23 | FY 2021-22 |
|-----------|------------|------------|
| Directors | NIL | NIL |
| KMPs | | |
| Employees | | |
| Workers | | |

6. Details of complaints with regard to conflict of interest:

| | FY 2022-23 | | FY 2021-22 | |
|--|------------|---------|------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of conflict of interest of the Directors | NIL | NIL | NIL | NIL |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | | | | |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

During the reporting year, there was no such cases of corruptions or conflicts of interest which required action by regulators/ law enforcement agencies/ judicial institutions.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topic/principles covered under the training | % age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| Ethics policies of the Company are being communicated to all our value partners through email and there is no such awareness programme being conducted. | | |



2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a robust process in place to avoid any conflict of interest and is covered under Code of Conduct for Directors and Senior Management Policy. The policies provide clear guidelines and mechanism to combat any actual or potential conflict of interest. Board members provide declarations to the Company disclosing their interest, if any.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | Current Financial Year | Previous Financial Year | Details of improvements in the environmental and social impacts |
|-------|--|-------------------------|---|
| R&D | Nil, The Company strives to adopt technology with an aim to improve environmental & social impacts of its products, however the cost is inseparable and is not identified categorically. We look forward to identify it in coming years. | | |
| Capex | | | |

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company only engages with vendors who are aligned with all statutory requirements and they are assessed also on the basis of their footprint on environmental & social aspects.

b. If yes, what percentage of inputs were sourced sustainably?

Nil, The Company has not yet formally assessed the exact percentage of sustainable sourcing, however it intends to set up mechanism to assess it in coming years.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As specified in Leadership Indicator 4 below, certain plastic packaging is reused. Otherwise, there is no reclamation of our products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility is not applicable to the Company.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product/Service | % of total Turnover Contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|---|-------------------------|---------------------------------|--|---|--|
| LCA is not been conducted for the reporting period. | | | | | |



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product/ Service | Description of the risk/ concern | Action Taken |
|--------------------------|----------------------------------|--------------|
| NIL | | |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|--------------|
| | FY 2022-23 | FY 2021-22 |
| Recycled Fiber | Less than 2% | Less than 2% |
| Cotton Noil Waste | Less than 1% | Less than 1% |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

| | FY 2022-23 | | | FY 2021-22 | | |
|--------------------------------|------------|----------|-----------------|------------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | 25% | 0 | 75% | 25% | 0 | 75% |
| E-waste | 0 | 0 | 100% | 0 | 0 | 100% |
| Hazardous Waste | 0 | 0 | 100% | 0 | 0 | 100% |
| Other waste | NA | NA | NA | NA | NA | NA |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

| Indicate product category | Reclaimed products and their packaging materials (as percentage of products sold) for each product category |
|---------------------------|---|
| Not Applicable | |

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

| % of employees covered by | | | | | | | | | | | |
|---------------------------------------|-------------|------------------|--------------|--------------------|---------------|--------------------|-------------|--------------------|-------------|---------------------|-------------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent Employees | | | | | | | | | | | |
| Male | 1206 | 743 | 61.61 | 1206 | 100.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 98 | 75 | 76.53 | 98 | 100.00 | 98 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 1304 | 818 | 62.73 | 1304 | 100.00 | 98 | 7.51 | 0 | 0.00 | 0 | 0.00 |
| Other than Permanent Employees | | | | | | | | | | | |
| Male | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 0 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |



b. Details of measures for the well-being of workers:

| % of employees covered by | | | | | | | | | | | |
|-------------------------------------|------------------|-------------------------|----------------|---------------------------|----------------|---------------------------|----------------|---------------------------|----------------|----------------------------|----------------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent Workers | | | | | | | | | | | |
| Male | 461 | 219 | 47.51 | 441 | 95.66 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| Female | 3 | 0 | 0.00 | 3 | 100.00 | 3 | 100.00 | 0 | 0.00 | 0 | 0.00 |
| Total | 464 | 219 | 47.20 | 444 | 95.69 | 3 | 0.65 | 0 | 0.00 | 0 | 0.00 |
| Other than Permanent Workers | | | | | | | | | | | |
| Male | 1788 | 1508 | 84.34 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 280 | 15.66 |
| Female | 41 | 22 | 53.66 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 19 | 46.34 |
| Total | 1829 | 1530 | 83.65 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 299 | 16.35 |

2. Details of retirement benefits, for Current FY and Previous Financial Year :

| Benefits | FY 2022-23 | | | FY 2021-22 | | |
|-----------------|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 82.98 | 83.33 | Y | 83.09 | 83.33 | Y |
| Gratuity | 83.33 | 33.33 | Y | 83.33 | 33.33 | Y |
| ESI | 10.51 | 53.03 | Y | 9.26 | 67.29 | Y |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes. The Company has taken requisite steps under the Rights of Persons with Disabilities Act, 2016

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

No, The Company believes in equal opportunity at workplace and is committed to provide so without any discrimination on the grounds of age, gender, cast, race or colour and plans to formulate the policy in coming years.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent Employees | | Permanent Workers | |
|---------------|----------------------------|-----------------------|----------------------------|-----------------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 88.00 | 95.45 | 80.00 | 100.00 |
| Female | 80.00 | 80.00 | 95.00 | 63.16 |
| Total | 84.00 | 87.73 | 87.50 | 81.58 |



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | Yes/No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|---|
| Permanent Workers | Yes, apart from reaching out to head of department & HR head, Works Committee & Grievance Committee of the Company can be approached to raise grievances. Internal Complaints Committee under POSH is also in place to deal with complaints of sexual harassment, if any. |
| Other than Permanent Workers | |
| Permanent Employees | |
| Other than Permanent Employees | |

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

| Category | FY 2022-23 | | | FY 2021-22 | | |
|---------------------------|--|---|-----------|--|---|-----------|
| | Total employees / workers in respective category (A) | No. of employees/ workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees/ workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| Total Permanent Employees | 1304 | 175 | 13.42 | 1196 | 188 | 15.72 |
| Male | 1206 | 171 | 14.18 | 1118 | 183 | 16.37 |
| Female | 98 | 4 | 4.08 | 78 | 5 | 6.41 |
| Total Permanent Worker | 464 | 0 | 0.00 | 593 | 3 | 0.51 |
| Male | 461 | 0 | 0.00 | 491 | 0 | 0.00 |
| Female | 3 | 0 | 0.00 | 102 | 3 | 2.94 |

8. Details of training given to employees and workers:

| | FY 2022-23 | | | | | FY 2021-22 | | | | |
|------------------|------------|-------------------------------|---------|----------------------|---------|------------|-------------------------------|---------|----------------------|---------|
| | Total (A) | On Health and Safety measures | | On Skill upgradation | | Total (D) | On Health and Safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 1206 | 975 | 80.85 | 601 | 49.83 | 1118 | 891 | 79.70 | 549 | 49.11 |
| Female | 98 | 47 | 47.96 | 5 | 5.10 | 78 | 43 | 55.13 | 4 | 5.13 |
| Total | 1304 | 1022 | 78.13 | 606 | 46.47 | 1196 | 934 | 78.09 | 553 | 46.24 |
| Workers | | | | | | | | | | |
| Male | 2249 | 1971 | 87.64 | 613 | 27.26 | 2122 | 1916 | 90.29 | 574 | 27.05 |
| Female | 44 | 22 | 50.00 | 22 | 50.00 | 108 | 108 | 100.00 | 108 | 100.00 |
| Total | 2293 | 1993 | 86.92 | 635 | 27.69 | 2230 | 2024 | 90.76 | 682 | 30.58 |



9. Details of performance and career development reviews of employees and worker:

| Category | FY 2022-23 | | | FY 2021-22 | | |
|------------------|------------|---------|---------|------------|---------|---------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 1206 | 1005 | 83.33 | 1118 | 999 | 89.36 |
| Female | 98 | 64 | 65.31 | 78 | 54 | 69.23 |
| Total | 1304 | 1069 | 81.98 | 1196 | 1053 | 88.04 |
| Workers | | | | | | |
| Male | 2249 | 2094 | 93.11 | 2122 | 2122 | 100.00 |
| Female | 44 | 28 | 63.64 | 108 | 108 | 100.00 |
| Total | 2293 | 2122 | 92.54 | 2230 | 2230 | 100.00 |

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes. The Company ensures that it takes steps to reduce the risk of incidents and maintains a safe working environment. Prioritizing occupational safety, the Company endeavours to identify and mitigate work related hazards. The Company is certified with ISO 45001: 2015 (For occupational health and management system) standards by TUV and follows all the required parameters.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company conducts Monthly review meetings by KMPs as practice, where work-related hazards/ concerns are presented and are resolved in a time bound manner. The Company has adopted HIRA – Hazard Identification & Risk Assessment system and risks are assessed & mitigated as specified in the mechanism.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes. The Company has adopted HIRA – Hazard Identification & Risk Assessment system and workers are trained to deal with work-hazards and report any exigencies. It maps work hazards from each zone & activity and lays down the precautions to be taken to safeguard from them.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. The Company has entered into an agreement with a nearby hospital for providing healthcare services to its employees/ workers. The Company also conducts annual health check-up of its employees/ workers.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2022-23 | FY 2021-22 |
|---|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| Total recordable work-related injuries | Employees | 0 | 0 |
| | Workers | 0 | 1 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |



12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has provided Personal Protective Equipment to the employees to minimize exposure to hazards that cause serious workplace injuries and illnesses. We also conduct periodical machine audits to ensure work place safety as much as we can.

13. Number of Complaints on the following made by employees and workers:

| | FY 2022-23 | | | FY 2021-22 | | |
|--------------------|---|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | Nil, No such complaints were identified | | | | | |
| Health & Safety | | | | | | |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100% |
| Working Conditions | 100% |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable, as no such incident was identified during the year.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. The workforce of the Company is covered by ESIC. There is an accident insurance and medical insurance policy covering all the employees & workers – who are not covered under ESIC. The Company adheres to workmen compensation mechanism as specified by law, in case of fatalities.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

As of now there is no such mechanism to ensure that the value chain partners of the Company deduct & deposit statutory dues which they are required to deduct.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|---|------------|---|------------|
| | FY 2022-23 | FY 2021-22 | FY 2022-23 | FY 2021-22 |
| Employees | Nil | | | |
| Workers | | | | |



4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

There is no such programme adopted by the Company during the reporting period.

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---|
| Health and safety practices | Nil |
| Working Conditions | |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable, as no such risk identified.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company recognizes that core stakeholders are individuals, groups or institutions that bring value to its business. The company has undertaken a stakeholder mapping process, identifying key stakeholders, viz. shareholders, employees and workers, and customers. The Company identifies the importance of these stakeholders and aims to engage and collaborate with them effectively to enhance the overall value and success of the business.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-----------------------------------|---|---|--|---|
| Customers | No | Email / SMS | Monthly/Quarterly/ Periodically need basis (at sales/ service times) | Product related information |
| Government/ Competent Authorities | No | Through returns / filings / submissions etc. | Periodically | For completing statutory compliance requirements |
| Shareholders | No | Email/ Meetings | Annually | Financial results & statutory matters; Communication about business details |
| Employees | No | In person/ Email/ SMS/ meetings/ Notice Board/ HR Portal | Continued engagement/ Daily/ Monthly/ Need basis | Employee connect session/ Health and Wellness |
| Suppliers | No | Email | Monthly | Follow up w.r.t order delivery and other deliverables |
| Investors & funders | No | Email, Meetings | Periodically | Business Operations |



| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/ No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|-------------------|---|---|--|---|
| Communities | No | Notice Board, Website, display on the locations | Periodically | CSR activities |

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The company meets with different stakeholders on a regular basis to discuss a range of topics linked to its commercial operations on ground and governance, social, and environmental challenges in it. In order to perform a thorough investigation and due diligence, it also hires consultants. The analysis report is then examined by management before being presented to the Board as needed.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Board advises the management on the actions to be taken on the aforementioned topics and to incorporate the same in either current policies or formulate new policies as necessary based on the discussion between the Board and the management.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

No instances were identified during reporting period.

PRINCIPLE 5: Businesses should respect and promote human rights

Essentials Indicators

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2022-23 | | | FY 2021-22 | | |
|------------------------|------------|---------------------------------------|---------|------------|---------------------------------------|---------|
| | Total (A) | No. of employees/ workers covered (B) | % (B/A) | Total (C) | No. of employees/ workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | Nil | | | | | |
| Other than permanent | | | | | | |
| Total Employees | | | | | | |
| Workers | | | | | | |



| Category | FY 2022-23 | | | FY 2021-22 | | |
|----------------------|------------|---------------------------------------|---------|------------|---------------------------------------|---------|
| | Total (A) | No. of employees/ workers covered (B) | % (B/A) | Total (C) | No. of employees/ workers covered (D) | % (D/C) |
| Permanent | Nil | | | | | |
| Other than permanent | | | | | | |
| Total Workers | | | | | | |

The Company did not impart any specific Human Rights training during the reporting period however it looks forward to take up the same in coming years.

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2022-23 Current Financial Year | | | | | FY 2021-22 Previous Financial Year | | | | |
|----------------------|--------------------------------------|-----------------------|-----------|------------------------|-----------|---------------------------------------|-----------------------|-----------|------------------------|-----------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| Employees | | | | | | | | | | |
| Permanent | 1304 | 151 | 11.58 | 1153 | 85.51 | 1196 | 124 | 10.37 | 1072 | 89.63 |
| Male | 1206 | 149 | 12.35 | 1057 | 87.65 | 1118 | 120 | 10.73 | 998 | 89.27 |
| Female | 98 | 2 | 2.04 | 96 | 97.96 | 78 | 4 | 5.13 | 74 | 94.87 |
| Other than Permanent | Nil | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| Workers | | | | | | | | | | |
| Permanent | 464 | 279 | 60.13 | 185 | 39.87 | 593 | 393 | 66.27 | 200 | 33.73 |
| Male | 461 | 279 | 60.54 | 182 | 39.48 | 491 | 294 | 59.88 | 197 | 40.12 |
| Female | 3 | 0 | 0.00 | 3 | 100.00 | 102 | 99 | 97.06 | 3 | 2.94 |
| Other than Permanent | 1829 | 141 | 7.71 | 1688 | 92.29 | 1640 | 205 | 12.50 | 1435 | 86.50 |
| Male | 1788 | 122 | 6.82 | 1666 | 93.18 | 1631 | 199 | 12.20 | 1432 | 87.80 |
| Female | 41 | 19 | 46.34 | 22 | 53.66 | 9 | 6 | 66.67 | 3 | 33.33 |

3. Details of remuneration/ salary/ wages, in the following format (Rs. p.a.):

| | Male | | Female | |
|----------------------------------|--------|---|--------|---|
| | Number | Median remuneration/ Salary/ Wages of respective category | Number | Median remuneration/ Salary/ Wages of respective category |
| Board of Directors (BoD)* | 5 | 1,46,40,000 | 0 | Nil |
| Key Managerial Personnel§ | 6 | 1,46,40,000 | 0 | Nil |
| Employees other than BoD and KMP | 1200 | 4,64,772 | 98 | 4,53,690 |
| Workers | 2252 | 2,81,916 | 41 | 2,04,290 |

* This category covers only salaried directors and excludes Non-Executive Directors who receive sitting fees

§ This category includes the KMPs which are part of Board of Directors category



4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Head of Department, Head of all plants and Head office takes care of all human rights related issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has an Employee - worker participation committee, wherein human rights related concerns or grievances are addressed and are resolved. The Committee ensures that all the complains are taken into account while ensuring privacy of the employees and workers and are resolved in a time bound manner.

6. Number of Complaints on the following made by employees and workers:

| | FY 2022-23 | | | FY 2021-22 | | |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | NIL | NIL | | NIL | NIL | |
| Discrimination at workplace | | | | | | |
| Child Labour | | | | | | |
| Forced Labour/Involuntary Labour | | | | | | |
| Wages | | | | | | |
| Other human rights related issues | | | | | | |

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

No, the Company believes in creating safe and positive workplace for the employees. The Company has a Whistle Blower and POSH Policy whereby identity of the person raising the grievance is protected also ensuring no adverse impact on the employment.

8. Do human rights requirements form part of your business agreements and contracts?

No, The Company is in process of revising its standard agreement templates as well as to include human rights provisions (where Company does not use its standard agreement templates), to ensure human rights requirements form a part its business agreements.

9. Assessments for the year:

| | % of your plants and Offices that were assessed (by entity or statutory authorities or third parties) |
|------------------------------------|---|
| Child Labour | Nil, there is no formal assessment for the said aspects carried out, however, statutory compliances pertaining to these are being taken care of |
| Forced/involuntary labour | |
| Sexual Harassment | |
| Discrimination at workplace | |
| Wages | |

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable, as no such risks identified.



Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints

No such modifications are incorporated, however the Company ensures to abide to all the norms present in its policies & strictly adhere to it.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company did not conduct any due diligence during the year.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company's plants and office are accessible to differently abled visitors. The offices and plants have ramps, lift facilities and wheelchair-accessible entrances.

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|------------------------------------|---|
| Sexual Harassment | Nil, there is no formal assessment mechanism in place |
| Discrimination at workplace | |
| Child Labour | |
| Forced Labour / Involuntary Labour | |
| Wages | |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable, as no such risks have been identified by the Company.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in GigaJoules) and energy intensity, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|---|-------------|-------------|
| Total electricity consumption (A) | 2,41,691.35 | 2,64,233.58 |
| Total fuel consumption (B) | 29,635.15 | 41,876.17 |
| Energy consumption through other sources (C) | 0 | 0 |
| Total energy consumption (A+B+C) | 2,71,326.50 | 3,06,109.75 |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) Gigajoules/Lakhs | 1.49 | 1.84 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation conducted.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

None of our sites are covered under PAT Scheme of Gol.



3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|--|------------|------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | 81,290 | 85,319 |
| (ii) Groundwater | 0 | 0 |
| (iii) Third part Water | 3,64,825 | 2,91,049 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others | 16,61,504 | 1,89,481 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 21,07,619 | 5,65,849 |
| Total volume of water consumption (in kilolitres) | 21,07,619 | 5,65,849 |
| Water intensity per rupee of turnover (Water consumed / turnover) Kilolitres/lakhs | 11.55 | 3.39 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation conducted.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, Zero Liquid Discharge has been implemented in Drum, Textile and Pipe division.

The company has successfully installed RO-1, RO-2, RO-3, Nano, STP, ETP and MEE Plant.

We have provided full-fledged ETP for the treatment T.E. which comprises of primary, secondary & tertiary treatment followed by ultra-filtration and 4 stage RO. Reverse Osmosis permeate is used for utility purpose and thus industry has achieved ZLD. RO rejects further treatment in ATFD & MEE plant. We have provided STP for the treatment of domestic effluent. Treated water is used on land for Gardening purpose.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter | Please specify unit | FY 2022-23 | FY 2021-22 |
|-------------------------------------|--|------------|------------|
| NOx | Nil, this data could not be assessed, as the provided air emission analysis reports did not mention the running hours of the stacks, necessary for the computation of Air emissions. | | |
| SOx | | | |
| Particulate matter (PM) | | | |
| Persistent organic pollutants (POP) | | | |
| Volatile organic compounds (VOC) | | | |
| Hazardous air pollutants (HAP) | | | |
| Ozone (O3) | | | |
| Lead (Pb) | | | |
| Carbon Monoxide (CO) | | | |
| Ammonia(NH3) | | | |
| Benzene (C6H6) | | | |
| Arsenic (As) | | | |
| Nickel (Ni) | | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation conducted.



6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2022-23 | FY 2021-22 |
|--|---|-------------|-------------|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 1,42,362.83 | 1,04,364.00 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 54,380.55 | 59,452.56 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | Metric tonnes of CO ₂ equivalent/lakhs | 1,42,363.13 | 1,04,364.35 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation conducted.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company shall take steps to reduce its GHG emissions in a structured manner in coming years.

8. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|---|------------|------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 57.345 | 55.59 |
| E-waste (B) | 1.135 | 0 |
| Bio-medical waste (C) | 0 | 0 |
| Construction and demolition waste (D) | 2.5 | 4 |
| Battery waste (E) | 0.25 | 0 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please Specify, if any. (G) | 1675.125 | 1874.56 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | | |
| M.S. Scrap | 6743.275 | 7614.599 |
| Aluminium Scrap | 540.727 | 640.386 |
| Bearing | 0.545 | 1.14 |
| Copper Scrap | 4.349 | 4.8203 |
| Corrugated Boxes | 2.105 | 0.83 |
| Grinding wheel | 0.244 | 0.635 |
| Rubber Gasket/Powder Scrap | 21.055 | 35.94 |
| S.S. Scrap | 19.094 | 28.814 |
| Electrical Scrap | 3.86 | 1.27 |
| Copper Cable Scrap | 2.233 | 1.027 |
| Rej. Cutter | 0.24 | 0 |
| Rej. Motar | 0.055 | 0 |
| Rej. Drill | 0.06 | 0.0675 |
| Zinc Scrap | 508.8 | 299.48 |



| Parameter | FY 2022-23 | FY 2021-22 |
|--|------------|------------|
| Coal Ash | 660.59 | 586.48 |
| Break-up by composition i.e., materials relevant to the sector | 2965.503 | 4521.823 |
| M.S. Turning | 158.96 | 135.52 |
| M.S. Beed | 150.82 | 114.65 |
| M.S.Punching | 4608.95 | 4107.435 |
| M.S. Rejected Pipe | 63.75 | 158.63 |
| Total (A+B + C + D + E + F + G + H) | 18192.242 | 20188.733 |
| <i>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</i> | | |
| <i>Category of waste</i> | | |
| (i) Recycled | 0 | 0 |
| (ii) Re-used | 384.575 | 150 |
| (iii) Other recovery operations | 0 | 0 |
| Total | 384.575 | 150 |
| <i>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</i> | | |
| <i>Category of waste</i> | | |
| (i) Incineration | 0 | 0 |
| (ii) Landfilling | 796.63 | 781.5 |
| (iii) Other disposal operations | 660.6 | 586.48 |
| Total | 1457.23 | 1367.98 |

Since employees & workers are treated at empanelled hospital, no bio-medical waste being generated at our work-place

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation conducted.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes**

Respective waste types as governed by regulations/ rules of the Environment Protection Act, 1986 are being collected, stored & disposed off in a manner as specified by relevant applicable legislation.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| S. No. | Location of operations/offices | Types of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|--|--------------------------------|---------------------|--|
| The company does not carry its operations in any ecologically sensitive areas. | | | |



11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|--|----------------------|------|---|--|-------------------|
| Not Applicable. As per MoEF (Ministry of Environment, Forest & Climate Change), the industry/operations do not have to provide any environmental clearance/ EIA. | | | | | |

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non- compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective taken, if any action |
|---|---|--|---|---------------------------------|
| Yes, The Company complies with all the applicable environmental laws/regulations. | | | | |

Leadership Indicators

1. Provide break-up of the total energy consumed (in GigaJoules) from renewable and non-renewable sources, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|--|-------------|-------------|
| From renewable sources | | |
| Total electricity consumption (A) | 0 | 0 |
| Total fuel consumption (B) | 0 | 0 |
| Energy consumption through other sources (C) | 0 | 0 |
| Total energy consumed from renewable sources (A+B+C) | 0 | 0 |
| From non-renewable sources | | |
| Total electricity consumption (D) | 2,41,691.35 | 2,64,233.58 |
| Total fuel consumption (E) | 29,635.15 | 41,876.17 |
| Energy consumption through other sources (F) | - | - |
| Total energy consumed from non-renewable sources (D+E+F) | 2,71,326.50 | 3,06,109.75 |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/ evaluation conducted.

2. Provide the following details related to water discharged:

| Parameter | FY 2022-23 | FY 2021-22 |
|---|---|------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | Due to the successful implementation of Zero liquid Discharge, there is no quantification of the water discharge. | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (ii) To Groundwater | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |



| Parameter | | FY 2022-23 | FY 2021-22 |
|--|--|------------|------------|
| (iii) | To Seawater | | |
| | - No treatment | | |
| | - With treatment - please specify level of treatment | | |
| (iv) | Sent to third-parties | | |
| | - No treatment | | |
| | - With treatment - please specify level of treatment | | |
| (v) | Others | | |
| | - No treatment | | |
| | - With treatment - please specify level of treatment | | |
| Total water discharged (in kilolitres) | | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|---|---|---|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | None of our plants operate in water stress area | None of our plants operate in water stress area |
| (ii) Groundwater | | |
| (iii) Third party water | | |
| (iv) Seawater / desalinated water | | |
| (v) Others | | |
| <i>Total volume of water withdrawal (in kilolitres)</i> | | |
| Total volume of water consumption (in kilolitres) | | |
| Water intensity per rupee of turnover (Water consumed / turnover) | | |
| Water intensity (optional) - the relevant metric may be selected by the entity | | |
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) Into Surface water | None of our plants operate in water stress area | None of our plants operate in water stress area |
| - No treatment | | |
| - With treatment -please specify level of treatment | | |
| (ii) Into Groundwater | | |
| - No treatment | | |
| - With treatment -please specify level of treatment | | |



| Parameter | FY 2022-23 | FY 2021-22 |
|---|------------|------------|
| iii) Into Seawater | | |
| - No treatment | | |
| - With treatment -please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment -please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment -please specify level of treatment | | |
| Total water discharged (in kilolitres) | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No any independent assessment/ evaluation being done.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

| Parameter | Unit | FY 2022-23 | FY 2021-22 |
|--|---|---|------------|
| Total Scope 3 emissions (Break-up of the GHG into CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃,if available) | <i>Metric tonnes of CO₂ equivalent</i> | Considering the level of quantification required for scope 3 calculation, currently the Company is not evaluating the emission and intensity. However, shall start assessing the same from the coming year. | |
| Total Scope 3 emissions per rupee of turnover | | | |
| Total Scope 3 emission intensity (optional)– the relevant metric may be selected by the entity | | | |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No any independent assessment/ evaluation being done.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

None of the offices/plants of the Company operate near ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|--|---|---------------------------|
| 1 | To reduce the usage of hazardous and toxic chemicals we have established strategy to reduce the drag out in the process, syphoning the water in the process. The same is under implementation. | Innovative inhouse developed barrels in the electro plating plant. 6 nos. implemented. Further optimization in the design is going on to get reduction of drag out approximately 50%. | - |



| Sr. No | Initiative undertaken | <i>Details of the initiative (Web-link, if any, may be provided along-with summary)</i> | Outcome of the initiative |
|--------|------------------------------------|---|---|
| 2 | Treatment of Industrial Effluents | <p>The Company has been actively working with an IIT Professor who invented Nanocarbon Florets to Treat Industrial Effluents 'Nanomaterials' are revolutionising the way we do things with applications in medicine, electronics and biocompatible materials, to name a few. Scientists are studying various nanoforms of carbon—nanotubes, nanocones, nanohorns, two-dimensional graphene and even carbon onions Now, researchers from the Indian Institute of Technology Bombay have added a new form to this list called nano carbon florets. These nano-sized florets, shaped like marigold flowers, have much more than just good looks to flaunt; they can help keep the environment clean by removing harmful heavy metal pollutants from industrial effluents</p> | <p>In a study published in the journal ACS Applied Nano Materials, Prof. C Subramaniam and his team from the Department of Chemistry have designed nanocarbon florets that can remove up to 90% of pollutants containing arsenic, chromium, cadmium and mercury from the installed ETP.</p> |
| 3 | Installation of Solar Panels | | <p>Solar utilizes lower powered items such as LED / CFL lamps, lower powered electronics, etc. that do not use as much power as standard electric systems. Also, LEDs are powered from 12 VDC initially and require AC adapters to power with standard electric. By using DC power for LEDs, they are able to operate more efficiently by providing more light and less heat. In this way, electricity can be saved.</p> |
| 4 | LED lights for energy conservation | | <p>It helps to conserve energy, in various ways:</p> <ol style="list-style-type: none"> 1.High Energy Efficiency: LED (Light Emitting Diode) lights are highly energy-efficient compared to traditional incandescent or fluorescent bulbs. 2.Low Power Consumption: LED lights require significantly less power to produce the same amount of light as traditional bulbs. <p>Long Lifespan: LED lights have a much longer lifespan compared to traditional bulbs.</p> |



7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, The Company's safety policy is prepared to handle any incident that may occur at any time as a result of its own operations or outside influences. The company Continuity Plan document offers guidelines and processes to help process owners carry out the mentioned tasks in order to limit company operations disruptions and their effects on brand image. It presents a list of potential occurrences that, if they take place, could disrupt operations or discontinue supplying customers. For any incident or Disaster the company has a documented Emergency Evacuation plan along with the Emergency Response team and their responsibilities documented. Mock drills are conducted once in 6 months along with Firefighting training (P.A.S.S.). Currently the company is manually copying data in the external drive and keeping that drive in another location. Frequency of comping is one month. Also for automatic we are in configuration state, within 15 - 20 day we will be able to achieve automatic backup.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company has not undertaken any mitigation or adaptation measures as of yet.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company has not undertaken any mitigation or adaptation measures as of yet.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1.

a) Number of affiliations with trade and industry chambers/ associations.

The Company is affiliated with 7 National Chambers/Associations

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1 | Confederation of Indian Export Organisations | National |
| 2 | The Council of EU Chamber of Commerce | National |
| 3 | Confederation of Indian Textile Industry | National |
| 4 | Steel Drum Association of India | National |
| 5 | Cotton Association of India | National |
| 6 | The Cotton Textile Export Promotional Council | National |
| 7 | Bombay Textile Research Association | State |

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| | Nil | |



Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify) | Web Link, if available |
|--|-------------------------|-----------------------------------|--|---|------------------------|
| Mumbai High Court Order dated 13th January, 2023 passed in Writ Petition filed by The Company is in public domain (Writ Petition No. 3202 OF 2022 filed in the Hon'ble High Court of Judicature at Bombay – Ordinary Side). It was regarding a case of filing of Shipping Bill with “Y” in MEIS column and where Customs recorded as “N”. A large number of exporters could not get their MEIS benefit due to this error in Customs software. All those who are affected by this were able to use this judgement and claim their MEIS. | | | | | |

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and Brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| Not Applicable | | | | | |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|--------|--|-------|----------|---|--------------------------|---|
| NA | | | | | | |

3. Describe the mechanisms to receive and redress grievances of the community.

HR department & Factory head of each plant takes care of grievances raised by the community, if any.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2022-23 | FY 2021-22 |
|---|---|------------|
| Directly sourced from MSMEs/ small producers | 1.8% | 1.8% |
| Sourced directly from within the district and neighboring districts | Almost 100% of our input material is sourced from Maharashtra, district wise sourcing data is not available | |

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| NIL | |



2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No. | State | Aspirational District | Amount spent (In INR) |
|----------------|-------|-----------------------|-----------------------|
| Not Applicable | | | |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

While there is no preferential procurement policy the company follows business practices that enabled the stakeholders to be part of our sustainable journey.

(b) From which marginalized /vulnerable groups do you procure?

The Company does not procure for marginalized/vulnerable groups as of yet.

(c) What percentage of total procurement (by value) does it constitute?

The Company does not procure for marginalized/vulnerable groups as of yet.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/ No) | Benefit shared (Yes/No) | Basis calculating benefit share |
|----------------|--|---------------------------|-------------------------|---------------------------------|
| Not Applicable | | | | |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|---------------------|--|--|
| 1 | CSR with IIT Mumbai | The Company is working towards building 'Technocraft Centre for Applied Artificial Intelligence' (TCA2I), a research centre to foster collaboration between industry and academia in applied AI – in collaboration with IIT, Mumbai to cater to the rising demand for qualified manpower in the area of artificial intelligence (AI) and data sciences (DS); which shall benefit students in future. | Not ascertainable currently |



PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

For the Company, customer satisfaction is of utmost concern. The Company is committed to respond to all questions and issues promptly and openly. It has a reliable system in place to monitor and address any consumer complaints or feedback. The Company strives to give an end to end solution to its consumers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 100% |
| Safe and responsible usage | |
| Recycling and/or safe disposal | |

3. Number of consumer complaints in respect of the following:

| | FY 2022-23 | | Remarks | FY 2021-22 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | | | NIL | | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary Recalls | NIL | |
| Forced Recalls | | |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes. The Company has a privacy policy available at <http://technocraftgroup.com/Privacy-Policy.aspx>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable, as no such instances occurred during the year.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details of products of The Company are available on its website – www.technocraftgroup.com and being a B2B business, does not have any details in social media.



2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The products of the Company are predominantly B2B and respective products contains environment safety logos as mandated by law and contains information about safe disposal/ recycle.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company does not come under essential services and any closure of our operations is intimated to statutory authorities & consumers from time to time.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company adheres to the statutory display requirements as mandated by law applicable.

Since The Company is in B2B sector, regular feedback from distributors is obtained.

5. Provide the following information relating to data breaches:

a) Number of instances of data breaches along-with impact

Nil

b) Percentage of data breaches involving personally identifiable information of customers

Nil



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement 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 standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31st March 2023. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



| Key Audit Matters | How our audit addressed the key audit matter |
|--|---|
| <p>1. Assessment of impairment of investment in subsidiaries, (Refer Note 6(a) of the Standalone Ind AS Balance Sheet)</p> <p>As at 31st March 2023 the Company balance sheet includes investment in subsidiaries & associates of Rs. 3,851.86 lakhs,</p> <p>In accordance with Indian Accounting Standards (Ind-AS), the management has allocated these balances to their respective cash generating units (CGU) and tested these for impairment using a discounted cash flow model. The management compares the carrying value of these assets with their respective recoverable amount. A deficit between the recoverable amount and CGU's net assets would result in impairment. The inputs to the impairment testing model which have most significant impact on the model includes:</p> <p>a) Sales growth rate; b) Operating margin; c) Working capital requirements; d) Capital expenditure; and e) Discount rate applied to the projected cash flows.</p> <p>The impairment test model includes sensitivity testing of key assumptions.</p> <p>The annual impairment testing is considered a significant accounting judgment and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.</p> | <p>As a part of our audit we have, carried out the following procedures:</p> <p>a) We assessed the Company's methodology applied in determining the CGUs to which these assets are allocated.</p> <p>b) We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used;</p> <p>c) We also assessed the recoverable value by performing sensitivity testing of key assumptions used.</p> <p>d) We tested the arithmetical accuracy of the models</p> <p>e) Performed analysis of the disclosures related to the impairment tests and their compliance with Indian Accounting Standard (Ind-AS).</p> |
| <p>3. Revenue Recognition (Refer to the accounting policies in Note 3 to the financial statements)</p> <p>Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year-end, therefore revenue recognition has been identified as a key audit matter.</p> | <p>a) Our audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 115 "Revenue from contracts with customers".</p> <p>b) We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers.</p> <p>c) We performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms.</p> <p>d) We also performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.</p> <p>e) Assessing and testing the adequacy of presentation and disclosures.</p> |

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Standalone Ind AS financial statements and our auditor's report thereon.



Our opinion on the Standalone Ind AS 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 Ind AS 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.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS 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.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended 31st March 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statement includes comparative financial information for previous year ended 31st March 2022 which were subjected to audit by another firm of Chartered Accountants under the Act who, vide their report dated 27th May, 2022, expressed an unmodified opinion on those financial statements.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"); issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure – A**, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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 including the statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant Rules issued thereunder.
- (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**.



- (g) In our opinion, the managerial remuneration for the year ended 31st March 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 Company's Act, 2013;
- (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 statement – Refer Note no. 30.
 - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (i) The Management has represented that, to the best of its knowledge and belief, 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 to or in any other person or entity, including foreign entity ("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;
 - (ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared and paid any Dividend during the Year ended on 31st March 2023 as per section 123 of the Company's Act, 2013. Hence, we have nothing to report in this regard.

**For M. L. Sharma & Co.,
Firm Reg. No. 109963W
Chartered Accountants**

Place of Signature: Mumbai
Date: 29th May, 2023

**(Vikash L. Bajaj)
Partner
Membership No. 104982
UDIN – 23104982BGQPWT4985**



ANNEXURE “A” TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED on the Standalone Financial Statements for the year ended 31st March 2023, We report that:

- 1a (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use assets.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- 1b As explained to us, the Property, Plant and Equipment of the company have been physically verified by the Management in a phased manner as per regular program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to this program, some of the Property, Plant and Equipment have been physically verified by the management during the year, and no material discrepancies have been noticed on such verification.
- 1c 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 Property, Plant and Equipment and Investment Property vide Note No. 3 & 4 respectively are held in the name of the Company.
- 1d The Company has not revalued any of its Property, Plant, and Equipment (including Right of Use assets) or intangible assets during the year.
- 1e 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.
- 2 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 and no discrepancies of 10% or more in aggregate for each class of inventory were noticed. Inventories lying with third parties have been confirmed by them as at 31st March, 2023 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- 3a (A) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, limited liability partnerships or any other parties as follows:

(₹ In Lakhs)

| Particulars | Guarantees | Loans |
|---|------------|----------|
| Aggregate amount granted / provided during the year | | |
| - Subsidiaries | 12,300.76 | 2,850.54 |
| Balance outstanding as at balance sheet date in respect of above cases | | |
| - Subsidiaries | 34,197.00 | 3,047.77 |

- (B) During the year the Company has not provided loans, advances in the nature of loans to parties other than subsidiaries, joint ventures and associates.
- 3b During the year, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, limited liability partnerships or any other parties are not prejudicial to the Company's interest.



- 3c The Company has granted loans during the year to subsidiary companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. In case of Loans and interest which are repayable on demand, according to the information and explanations given to us, all the loans & interest called for have been received by the company.
- 3d There are no amounts of loans and advances and interest thereon which are overdue for more than ninety days. According to the information and explanations given to us, The Balances of Loan and Interest receivable outstanding on the reporting date, which are repayable on demand have not been called for by the company and hence we are unable to make specific comment on loans or interest which are overdue for more than ninety days.
- 3e There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- 3f The Company has granted loans or advances in the nature of loans which are repayable on demand to companies the details of which are as under:

(₹ In Lakhs)

| Particulars | All Parties | Promoters | Related Parties |
|---|-----------------|-----------|-----------------|
| Aggregate amount of loans/ advances in nature of loans | | | |
| - Repayable on demand (A) | 2,609.03 | - | 2,609.03 |
| - Agreement does not specify any terms or period of repayment(B) | - | - | - |
| Total (A+B) | 2,609.03 | - | 2,609.03 |
| Percentage of loans/advances in nature of loans to the total loans | 85.60% | - | 85.60% |

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, loans, guarantees and security provided in respect of loans & other facilities to parties covered under section 185 of the Act and Investments made.
5. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
6. We have broadly reviewed the books of account and records maintained by the company in respect of the products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been specified under section 148 (1) of the Companies Act, 2013 is applicable to the company and are of opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made detailed Examination of the records with view to determining whether they are accurate or complete.
- 7 a According to the information and explanation given to us and the records of the Company examined by us, the Company is generally regular in depositing provident fund dues, employees state insurance, income tax, goods and service tax, sales tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed amounts payable for the same were outstanding as at 31st March, 2023 for a period exceeding six months from the date they became payable;
- 7 b According to the information and explanation given to us and the records of the Company examined by us, the Particulars of disputed statutory dues under various act as at 31st March 2023 which have not been deposited with the appropriate authorities are as under:



| Name of the Statute | Nature of dues | Amount (In Lakhs) (Rs.) | Forum where dispute is pending |
|--|---|-------------------------|---|
| The Central Excise Act 1944 | For F.Y 1999-02 to Sept 2008 | 1,115.67 | Case pending with High Court, Mumbai |
| | For Period before 29-9-2008 | 195.61 | Case pending with High Court, Mumbai |
| | For Period before 29-1-2009 | 266.77 | Case pending with High Court, Mumbai |
| | For FY 2006-07 | 38.73 | Case pending with High Court, Mumbai |
| | For FY 2007-08 | 15.65 | Case pending with High Court, Mumbai |
| | For period Oct 11 - Jan 12. | 9.94 | Case pending with CESTAT (Tribunal) |
| | Service Tax & Penalty | | |
| | For F.Y. 2006-07 & F.Y. 2008-09 | 21.97 | Case pending with CESTAT (Mumbai) |
| | For period Oct 08 – Dec 16 | 165.07 | Case pending with CESTAT (Mumbai) |
| | For Period Oct 13 to June 17 | 39.67 | Case pending with Asst. Commissioner CGST |
| | For Period Oct 13 to June 17 | 16.82 | Case pending with Asst. Commissioner CGST |
| The Goods and Service Tax Act, 2017 | For period 2017-18 & FY 2018-19 | 83.16 | Case pending with Joint Commissioner CGST |
| The Maharashtra Land Revenue Act, 1966 | For Payment of Royalty on extraction & transportation of mud, stones & sand issued by Tahsildar, Tal. Murbad, Dist. Thane | 82.48 | Case pending With High Court, Mumbai |
| Electricity Act, 2003 | For Payment of Additional Differential Electricity duty | 2,678.06 | Case pending With High Court, Mumbai |
| | For Non-Fulfillment of Renewable Purchase obligation (RPO) | 110.75 | Case pending With High Court, Mumbai |
| Income Tax Act, 1961 | For A. Y. 2011-12 | 11.72 | CIT (Appeals) |
| Income Tax Act, 1961 | For A.Y. 2012-13 | 179.59 | CIT (Appeals) |
| Income Tax Act, 1961 | For A.Y. 2013-14 | 175.25 | CIT (Appeals) |
| Income Tax Act, 1961 | For A.Y 2014-15 | 1128.94 | CIT (Appeals) |
| Income Tax Act, 1961 | For A.Y 2018-19 | 4.00 | CIT (Appeals) |
| Income Tax Act, 1961 | For A.Y 2021-22 | 26.47 | CIT (Appeals) |

8. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
9. a. According to the information and explanations given to us, the Company has not defaulted on repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given to us including representations received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.



- c. In our opinion and according to the information and explanations given to us, money raised by way of term loans during the year, were applied for the purposes for which these were obtained.
 - d. In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
 - e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, 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, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
10. a. The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
 11. a. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
 - b. No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
 - c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
 12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
 13. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable. The details of related party transactions have been disclosed in the financial statements as required under Ind AS "24", Related Party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
 14. a. In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.
 - b. We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
 15. In our opinion and according to the information and explanations given to us, the Company has not entered into any Non-Cash transaction with directors or persons connected with the directors. Accordingly, the provisions of clause 3 (xv) of the order is not applicable to the Company.
 16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) of the order is not applicable to the Company.
 17. The Company has not incurred cash losses in the current as well as the immediately preceding financial year.
 18. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.



19. According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the plans of the Board of Directors and management 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.
20. a. In our opinion and according to the information and explanations given to us, 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), in compliance with second proviso to sub section 5 of section 135 of the Act.
- b. In our opinion and according to the information and explanations given to us, there is no amount remaining unspent under section 135(5) of Companies Act, 2013 which requires to be special account in compliance with provision of section 135(6) of Companies Act, 2013.

**For M. L. Sharma & Co.,
Firm Reg. No. 109963W
Chartered Accountants**

Place of Signature: Mumbai
Date: 29th May, 2023

**(Vikash L. Bajaj)
Partner
Membership No. 104982
UDIN – 23104982BGQPWT4985**



ANNEXURE – “B” TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Report of even date to the Members of TECHNOCRAFT INDUSTRIES (INDIA) LIMITED for the year ended 31st March 2023. We report that:

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 TECHNOCRAFT INDUSTRIES (INDIA) LIMITED, (“the Company”) as of 31st March 2023 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls 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.

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 with reference to financial statements.

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.

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 M. L. Sharma & Co.,
Firm Reg. No. 109963W
Chartered Accountants**

**(Vikash L. Bajaj)
Partner**

Place of Signature: Mumbai

Date: 29th May, 2023

**Membership No. 104982
UDIN – 23104982BGQPWT4985**



Balance Sheet as at 31st March, 2023

(₹ in lakhs)

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|------------------------------------|----------|-----------------------|-----------------------|
| ASSETS | | | |
| Non - Current Assets | | | |
| Property, Plant and Equipment | 3 | 33,559.46 | 32,628.20 |
| Capital work-in-progress | 3 | 3,796.97 | 1,710.67 |
| Investment Properties | 4 | 762.68 | 804.84 |
| Intangible assets | 5 | 85.22 | 47.20 |
| Financial Assets | | | |
| Non Current Investments | 6(a) | 29,519.46 | 23,971.55 |
| Loans | 6(b) | 438.74 | - |
| Others Financial Assets | 6(c) | 3,113.68 | 554.43 |
| Other Non-Current Assets | 7 | 882.07 | 684.21 |
| Total Non - Current Assets | | 72,158.28 | 60,401.10 |
| Current Assets | | | |
| Inventories | 8 | 36,410.65 | 31,676.97 |
| Financial Assets | | | |
| Current Investments | 6(a) | 629.94 | 15,016.70 |
| Trade receivables | 6(d) | 60,682.07 | 49,385.55 |
| Cash and cash equivalents | 6(e) | 12,277.63 | 5,288.35 |
| Other Bank Balances | 6(f) | 628.63 | 2,687.19 |
| Loans | 6(b) | 2,721.03 | 4,369.58 |
| Others Financial Assets | 6(c) | 1,787.18 | 1,959.76 |
| Other Current Assets | 9 | 5,998.15 | 5,933.91 |
| Total Current Assets | | 121,135.28 | 116,318.01 |
| Assets Classified as held for Sale | 10 | 308.44 | 507.36 |
| Total Assets | | 193,602.00 | 177,226.47 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 11(a) | 2,296.17 | 2,446.17 |
| Other Equity | 11(b) | 115,591.83 | 114,765.11 |
| Total Equity | | 117,888.00 | 117,211.28 |



Balance Sheet as at 31st March, 2023

| Particulars | Note No. | As at 31st March 2023 | (₹ in lakhs) As at 31st March 2022 |
|---|----------|--------------------------|--|
| LIABILITIES | | | |
| Non - Current Liabilities | | | |
| Financial Liabilities | | | |
| Non Current Borrowings | 12(a) | 2,953.38 | 4,773.45 |
| Other financial liabilities | 12(b) | 23.82 | 23.94 |
| Provisions | 13 | 2,151.99 | 2,136.90 |
| Deferred tax liabilities (Net) | 14 | 450.98 | 855.76 |
| Other Non-Current Liabilities | 15 | 397.00 | 646.68 |
| Total Non - Current Liabilities | | 5,977.17 | 8,436.73 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Current Borrowings | 12(a) | 48,929.11 | 31,796.39 |
| Trade payables | 12(c) | | |
| Total outstanding dues of Micro & Small Enterprises | | 52.10 | 59.13 |
| Total Outstanding dues of creditors , other than Micro & Small Enterprise | | 15,163.31 | 14,761.78 |
| Other financial liabilities | 12(b) | 2,073.53 | 1,861.95 |
| Provisions | 13 | 235.81 | 250.11 |
| Current Tax Liabilities (Net) | 16 | 525.60 | 850.57 |
| Other Current Liabilities | 17 | 2,757.37 | 1,998.53 |
| Total Current Liabilities | | 69,736.83 | 51,578.46 |
| Total Equity and Liabilities | | 193,602.00 | 177,226.47 |

Significant Accounting Policies

1 & 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May, 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549



Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in lakhs)

| Particulars | Note No. | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|----------|--------------------------------|--------------------------------|
| Continuing Operations | | | |
| Revenue From Operations | 18 | 182,509.02 | 166,690.09 |
| Other Income and Other Gains/(Losses) | 19 | 5,139.82 | 4,386.52 |
| Total Income | | 187,648.84 | 171,076.61 |
| Expenditure | | | |
| Cost of materials consumed | 20 | 92,367.66 | 80,447.79 |
| Purchases of Stock-in-Trade | | 3,580.83 | 3,649.23 |
| Changes in inventories of finished goods, Stock - in -Trade and work - in - progress | 21 | (239.12) | (3,035.43) |
| Employee benefits expenses | 22 | 10,626.39 | 10,047.79 |
| Finance costs | 23 | 2,251.96 | 1,662.92 |
| Depreciation and amortisation expenses | 24 | 5,359.51 | 5,526.12 |
| Other expenses | 25 | 48,926.05 | 44,739.74 |
| Total expenses | | 162,873.28 | 143,038.16 |
| Profit before tax & Exceptional Items from Continuing Operations | | 24,775.56 | 28,038.45 |
| Exceptional Items | 26 | - | 1,195.35 |
| Profit before tax but after Exceptional items from Continuing Operations | | 24,775.56 | 29,233.80 |
| Tax expense of Continuing Operations | | | |
| (1) Current tax | 27 | 6,828.59 | 7,243.35 |
| (2) Deferred tax | | (544.90) | (194.75) |
| (3) Tax Adjustment of Earlier Years | | (151.72) | - |
| Total tax expenses | | 6,131.97 | 7,048.60 |
| Profit after tax from Continuing Operations | | 18,643.59 | 22,185.20 |
| Discontinued Operations | | | |
| Profit / (Loss) before tax from discontinued operations | 28 | 500.00 | (15.75) |
| Tax Expense / (Income) of discontinued operations | | 125.84 | (3.97) |
| Profit / (Loss) after tax from discontinued operations | | 374.16 | (11.78) |
| Profit for the year after tax from Continuing & Discontinued Operations | | 19,017.75 | 22,173.42 |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement of net defined benefit Plans (net of tax) | | 19.91 | (215.88) |
| Items that will be reclassified to profit or loss | | | |
| | | - | - |
| Other Comprehensive Income / (Loss) for the Year (Net of tax) | | 19.91 | (215.88) |
| Total Comprehensive Income for the year after tax | | 19,037.66 | 21,957.54 |
| Earnings per equity share of Face Value of ₹ 10/- each | | | |
| Basic & Diluted Earnings per Share -Continuing Operations | 29 | 77.47 | 90.69 |
| Basic & Diluted Earnings per Share -Discontinued Operations | | 1.55 | (0.05) |
| Basic & Diluted Earnings per Share -Continuing & Discontinued Operations | | 79.02 | 90.64 |
| Significant Accounting Policies | 1 & 2 | | |

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May, 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549



Standalone Cash Flow Statement for the year ended March 31, 2023

(₹ in lakhs)

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| A. CASH FLOW ARISING FROM OPERATING ACTIVITIES : | | |
| Profit after exceptional items but before tax from Continuing operations | 24,775.56 | 29,233.80 |
| Profit after exceptional items but before tax from Discontinued Operations | 500.00 | (15.75) |
| Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities | | |
| Exceptional items -(Refer Note No 26) | - | (1,195.35) |
| Depreciation & Amortisation Expenses | 5,359.51 | 5,526.12 |
| Government Grant Income | (233.70) | (231.15) |
| Reversal of Impairment Loss on Plant & Equipment recognised in earlier years | (500.00) | - |
| (Gain) on sale of property, plant and equipment | (124.61) | (40.94) |
| Share of Loss of Associate | 0.02 | 0.02 |
| Unrealised Forex Loss / (gain) | (998.81) | 161.11 |
| Interest income | (515.87) | (335.75) |
| Interest Expenses | 2,006.86 | 1,365.58 |
| Rental Income | (123.84) | (111.53) |
| Net gain on sale/fair valuation of Investments through profit & loss | (1,590.25) | (2,419.09) |
| | 28,554.87 | 31,937.07 |
| Working capital adjustments | | |
| (Increase)/ Decrease in Inventories | (4,733.68) | (7,068.16) |
| (Increase)/ Decrease in Trade Receivables | (10,404.91) | (10,535.76) |
| (Increase)/ Decrease in Other Receivables | (268.94) | (1,718.35) |
| Increase/ (Decrease) in Trade and Other Payables | 1,439.57 | 4,208.83 |
| | 14,586.91 | 16,823.63 |
| Income Tax paid | (7,046.54) | (6,907.57) |
| Net Cash Inflow/(Outflow) in the course of Operating Activities (A) | 7,540.37 | 9,916.06 |
| Net Operating Cash inflow / (Outflow) from Continuing Operations | 7,525.39 | 10,021.02 |
| Net Operating Cash inflow / (Outflow) from Discontinued Operations | 14.98 | (104.96) |
| B. CASH FLOW ARISING FROM INVESTING ACTIVITIES : | | |
| Purchase of Property, Plant and Equipment /Investment Properties / Intangible assets including capital work in Progress | (8,395.72) | (5,524.89) |
| Sale Proceeds of property, plant and equipment | 846.33 | 1,189.62 |
| Purchase of Investments (other than Investment in Subsidiary) | (25,450.00) | (11,910.00) |
| Subscription in shares of Subsidiaries / Associates | (949.00) | (98.00) |
| Proceeds from sale of Investments (Other than Subsidiaries) | 36,828.09 | 7,206.41 |
| Proceeds from sale of Investments in Subsidiary | - | 815.17 |
| Interest received | 656.57 | 364.97 |
| Refund/ (Investment) in bank deposits having Original Maturity of more than than 3 months | (502.72) | (149.49) |
| Rent Received | 122.51 | 110.41 |
| Recovery/ (Advancement) of loans given to Subsidiaries | 1,346.54 | (3,210.65) |



Standalone Cash Flow Statement for the year ended March 31, 2023

| Particulars | (₹ in lakhs) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Net Cash Inflow/(Outflow) in the course of Investing Activities (B) | 4,502.60 | (11,206.45) |
| Net Cash Inflow/(Outflow) in the course of Investing Activities from Continuing Operations | 3,805.49 | (11,208.16) |
| Net Cash Inflow/(Outflow) in the course of Investing Activities from Discontinued Operations | 697.11 | 1.71 |
| C. CASH FLOW ARISING FROM FINANCING ACTIVITIES : | | |
| Net Proceeds (Repayment) of Long Term & Short term Borrowings | 15,296.23 | 2,716.32 |
| Interest charges paid | (1,988.98) | (1,255.79) |
| Buyback of Equity Shares | (15,000.00) | - |
| Tax on Buyback of Equity Shares | (3,360.94) | - |
| Net Cash Inflow/(Outflow) in the course of Financing Activities (C) | (5,053.69) | 1,460.53 |
| Net Cash Inflow/(Outflow) in the course of Financing Activities from Continuing Operations | (4,342.04) | 1,371.80 |
| Net Cash Inflow/(Outflow) in the course of Financing Activities from Discontinued Operations | (711.65) | 88.73 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 6,989.28 | 170.14 |
| Cash and cash equivalents at the beginning of the year | 5,288.35 | 5,118.21 |
| Cash and cash equivalents at the end of the year | 12,277.63 | 5,288.35 |

Notes-

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".
- Components of Cash & Cash Equivalents

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|----------------------|----------------------|
| Balances with Banks - In current accounts | 12,250.54 | 5,268.55 |
| Cash on Hand | 27.09 | 19.80 |
| Cash and cash equivalents at the end of the year | 12,277.63 | 5,288.35 |

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai

Neeraj Rai

Navneet Kumar Saraf

Ashish Kumar Saraf

Date : 29th May, 2023

Company Secretary

Whole-time Director & CEO
DIN 00035686

Whole-time Director & CFO
DIN 00035549



Standalone Statement of Changes in Equity for the year ended 31st March, 2023

(₹ in lakhs)

| EQUITY SHARE CAPITAL : | Balance as at 1st April, 2021 | Changes in equity share capital during the year | Balance as at 31st March, 2022 | Changes in equity share capital during the year | Balance as at 31st March, 2023 |
|--|-------------------------------|---|--------------------------------|---|--------------------------------|
| Paid up Capital (Refer Note 11(a)) (Equity Shares of ₹ 10/- each issued, Subscribed & Fully Paid up) | 2,446.17 | - | 2,446.17 | 150.00 | 2,296.17 |

| OTHER EQUITY : | Reserves and Surplus | | | | | |
|---|----------------------|----------------------------|------------------|-------------------|--|-------------------|
| Particulars | Capital Reserve | Capital Redemption Reserve | General Reserve | Retained Earnings | Other Comprehensive Income (Retained Earnings) | Total |
| Balance as at 1st April, 2021 | 20.51 | 706.51 | 12,157.44 | 80,207.52 | (284.41) | 92,807.57 |
| Profit for the year after tax | - | - | - | 22,173.42 | - | 22,173.42 |
| Other Comprehensive Income : Remeasurements of net defined benefit plans (Net of tax) | - | - | - | - | (215.88) | (215.88) |
| Balance as at 31st March, 2022 | 20.51 | 706.51 | 12,157.44 | 102,380.94 | (500.29) | 114,765.11 |
| Profit for the year after tax | - | - | - | 19,017.75 | - | 19,017.75 |
| Other Comprehensive Income : Remeasurements of net defined benefit plans (Net of tax) | - | - | - | - | 19.91 | 19.91 |
| Transfer from General Reserve to Capital Redemption Reserve | - | 150.00 | (150.00) | - | - | - |
| Amount paid on Buyback of Equity Shares | - | - | - | 14,850.00 | - | - |
| Tax on Buyback of Equity Shares | - | - | - | 3,360.94 | - | - |
| Balance as at 31st March, 2023 | 20.51 | 856.51 | 12,007.44 | 103,187.75 | (480.38) | 115,591.83 |

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May, 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

Note-1 Company Overview

Technocraft Industries (India) Limited (“the Company”), was incorporated on 28th October 1992, CIN L28120MH1992PLC069252. The company is a Public Limited company incorporated and domiciled in India and is having its registered office at Technocraft House, A-25, Road No 3, MIDC Industrial Estate, Andheri (East) Mumbai – 400093, Maharashtra, India. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India.

The Company is well diversified having its business Interest in Drum Closures (2nd Largest in the World), Scaffolding & Formworks, Yarn, Fabrics & Garments.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 29th May 2023.

Note-2 Significant Accounting Policies:

i) Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) ; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis except

- a) Certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).
- b) Assets held for sale –measured at fair Value less cost to sell.
- c) Defined Benefits plans –Plan assets measured at Fair Value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Use of Estimates :

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) Revenue Recognition :

The Company derives its revenue primarily from sales of manufactured goods, traded goods and related services Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price (which is the Consideration, adjusted to discounts, incentives and returns etc., if any) that is allocated to that Performance Obligation. These are generally accounted for as variable consideration estimated in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experiences and Projected Market Conditions.

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, it does not adjust any of the transaction prices for the time value of Money.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

The Company satisfies a performance obligation and recognizes revenue over time ,if one of the following criteria is met :

- The Company simultaneously receives and consumes the benefits provided by the Company's Performance as the Company performs; or
- The Company's Performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's Performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to the Payment for Performance completed to date

For performance obligations where one of the above conditions are not met revenue is recognized at the Point in time at which the Performance obligation is satisfied.

Revenue from sale of Products and services are recognized at the time of satisfaction of performance obligation The period over which the revenue is recognized is based on entity right to payment for performance completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of Contract

Revenue in excess of invoicing are classified as Contract asset while invoicing in excess of revenues are classified as contract Liabilities

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 recognized initially at the transaction price as they do not contain Significant financing components

Other Income :

Dividend Income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest Income on all debt instruments measured at amortized cost is recorded using the effective interest rate (EIR).

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of the Income can be measured reliably.

iv) Inventories :

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Trading Goods, and Stores, Spares and other components, Packing Materials, Fuel and Oil are valued at cost or net realizable value, whichever is lower. Goods in transit are valued at cost or net realizable value, whichever is lower. Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on FIFO basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

If payment terms for inventory are on deferred basis i.e. beyond normal credit terms, then cost is determined by discounting the future cash flows at an interest rate determined with reference to the market rates. The difference between total cost and deemed cost is recognized as interest expense over the period of financing under the effective interest method.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

v) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

vi) Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress. Expenditure during construction period is also included under Capital Work in Progress.

vii) Intangible Assets

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

viii) Depreciation

Depreciation on Property, Plant and Equipment has been provided on the Written down Value method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold Land is amortized over the period of lease. Leasehold improvements are amortized over the period of lease or estimated useful life, whichever is lower

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

ix) Investment Property

Investment property applies to owner-occupied property and is held to earn rentals or for capital appreciation or both. Hence such properties are reclassified from Property, Plant and Equipment to Investment property. Investment property is measured at its cost, including related transaction cost less depreciation and impairment, if any. Investment properties are depreciated using the written down value method over their estimated useful life. Any transfer to or from Investment property is done at the carrying amount of the Investment Property.

x) Non-Current assets held for Sale and discontinued operations

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. The criteria for held for sale classification is met only when the assets is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets & its sale is highly probable.

Non-Current assets held for Sale are measured at the lower of their Carrying amount and the fair Value less cost to sell

Property, Plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale and

a) Represents a separate major line of business or geographical area of operations



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

- b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of Profit & Loss.

xi) Government Subsidy

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are treated as deferred income and are recognized in net profit in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

xii) Borrowings

Borrowings are initially recognized at net of transaction Cost incurred and measured at amortized Cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of Profit & Loss over the period of borrowings using the effective Interest method.

xiii) Income Tax

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

a) Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

xiv) Leases

At inception of Contract, the Company assesses whether the Contract is or contains a Lease. A Contract is, or contains, a lease if the Contract conveys the right to Control the use of an identified asset for a period of time in exchange for Consideration .At inception or on reassessment of a contract that contains a lease Component, the Company allocates Consideration in the contract to each lease component on the basis of their relative standalone price.

As a Lessee

i) Right of use assets

The Company recognizes right of use assets at the commencement date of the lease .Right of use assets are measured at cost less any accumulated depreciation and impairment Losses and adjusted for any re measurement of Lease Liabilities .The Cost of right to use assets include the amount of lease Liabilities recognized, initial direct cost incurred, Lease payments made at or before 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 Company presents right to use assets that do not meet the definition of Investment property in “Property, Plant and Equipment”

ii) Lease Liabilities

At the Commencement date of the Lease , the Company recognizes Lease Liabilities measured at the present value of lease payments to be made over the Lease term .In Calculating the present Value of lease payments, the Company generally uses its incremental borrowing rate at the Lease Commencement date if the discount rate implicit in the lease is not readily determinable .

Lease payments included in the measurement of the Lease Liability are made up of fixed payments (including in substance, fixed) and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses .It is re measured to reflect any reassessment or modification.

The Company presents lease Liabilities under Financial Liabilities in the Balance sheet

The Company has elected to account for short term leases and Leases of Low Value assets using the exemption given under Ind AS 116, Leases .Instead of recognizing a right of use asset and Lease Liability, the payments in relation to these are recognized as an expense in the profit or loss on a straight Line basis over the Lease term or on another systematic basis if that basis is more representative of the pattern of the Company benefit

As a Lessor

Leases for which the Company is a Lessor is classified as Finance or operating Lease

Lease income from operating leases where the Company is a Lessor is recognized in income on a straight line basis over the Lease Term unless the receipts are structured to increase in line with expected general inflation to Compensate for the expected inflationary cost increases .The respective leased assets are included in the balance sheet based on their nature

xv) Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus 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.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the 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. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the 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, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

(iv) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - The Company has transferred substantially all the risks and rewards of the asset, or
 - The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

d) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

e) Income Recognition

Interest Income from debt instruments is recognised using the effective interest rate method.

xvi) Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of financial liabilities depends on their classification, as described below:

➤ Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

➤ Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

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

c) De recognition

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 & Loss.

xvii) Offsetting of financial instruments

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



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

xviii) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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

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.

xix) Cash & Cash Equivalents

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

Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

xx) Investment in Subsidiaries , Joint ventures & Associates – Unquoted

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

xxi) Employee Benefits

➤ Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered.

➤ Post-employment benefits

The Company's net obligation in respect of defined benefit plans such as gratuity is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method.

The current service cost of the defined benefit plan, recognized in the Statement of Profit & Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit & Loss. The net interest cost is calculated by 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 & Loss.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding net interest) and the effect of the asset ceiling (if any, excluding net interest), are recognized immediately in other comprehensive income.

➤ **Other long-term employee benefits**

Liability towards other long term employee benefits - leave encashment is determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit & Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit & Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit & Loss. Re-measurements are recognized in the Statement of Profit & Loss.

xxii) Foreign Currency Transactions:

a) Functional and Presentation Currency:

The Financial Statements are presented in Indian Rupee (₹) which is Company's Functional and Presentation Currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

b) Monetary Items

- Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Monetary assets (including loans to subsidiaries) and Liabilities in foreign currency transactions remaining unsettled at the end of the year (other than forward contract transactions) are translated at the year-end rates and the corresponding effect is given to the respective account.
- Exchange differences arising on account of fluctuations in the rate of exchange are recognized in the statement of Profit & Loss.
- Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.

c) Non - Monetary Items

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.

xxiii) 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 assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

xxiv) Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xxv) 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.

xxvi) Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xxvii) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

xxviii) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

xxix) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

xxx) Exceptional Items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material

Items are disclosed separately as exceptional items.

xxxi) Recent accounting pronouncement

The Ministry of Corporate Affairs has vide notification dated 31st March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective from 1 April 2023.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 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 any material impact on the Company in the current or future reporting periods and on foreseeable future transactions

xxxii) Significant accounting judgments, estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise Judgement in applying the Company's accounting policies.

The estimates and judgements involves a higher degree of judgement or complexity, and of 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.

Critical estimates and judgements

The areas involving critical estimates or judgements are

- o Estimation of current tax expenses and payable
- o Estimated useful life of Intangible assets
- o Estimation of defined benefit obligation
- o Estimation of Provisions and Contingencies

Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

Note 3 : Property, Plant and Equipment

(₹ in Lakhs)

| Particulars | Leasehold Land | Freehold Land | Buildings | Furniture, Fittings & Equipments | Plant and Machinery | Office Equipments | Computers | Motor Car & Vehicles | Total | Capital Work in Progress |
|---|----------------|---------------|------------------|----------------------------------|---------------------|-------------------|---------------|----------------------|------------------|--------------------------|
| Year Ended 31st March , 2023 | | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | | |
| Opening Gross Carrying Amount | 657.79 | 523.82 | 13,538.65 | 287.98 | 38,358.21 | 325.39 | 473.51 | 373.17 | 54,538.52 | 1,710.67 |
| Additions | - | - | 2,805.73 | 94.50 | 2,876.78 | 123.30 | 141.30 | 175.28 | 6,216.89 | 6,202.78 |
| Disposals | - | - | 13.17 | - | 17.94 | - | 1.07 | 22.30 | 54.48 | - |
| Transfers | - | - | - | - | - | - | - | - | - | - |
| Transfer from Assets Classified as held for Sale (Refer Note No 10) | - | - | - | - | - | - | - | - | - | 4,116.48 |
| Closing Gross Carrying Amount | 657.79 | 523.82 | 16,331.21 | 382.48 | 41,217.05 | 448.69 | 613.74 | 526.15 | 60,700.93 | 3,796.97 |
| Accumulated Depreciation | | | | | | | | | | |
| Opening Accumulated Depreciation | 48.19 | - | 3,244.70 | 149.95 | 17,707.86 | 238.89 | 357.07 | 163.66 | 21,910.32 | - |
| Depreciation charge during the year-Continuing Operations | 8.52 | - | 1,011.46 | 35.26 | 3,991.61 | 40.27 | 105.51 | 73.23 | 5,265.86 | - |
| Disposals | - | - | 9.27 | - | 7.20 | - | - | 18.24 | 34.71 | - |
| Transfers from Assets Classified as held for Sale (Refer Note No 10) | - | - | - | - | - | - | - | - | - | - |
| Closing Accumulated Depreciation | 56.71 | - | 4,246.89 | 185.21 | 21,692.27 | 279.16 | 462.58 | 218.65 | 27,141.47 | - |
| Net Carrying Amount | 601.08 | 523.82 | 12,084.32 | 197.27 | 19,524.78 | 169.53 | 151.16 | 307.50 | 33,559.46 | 3,796.97 |
| Year Ended 31st March , 2022 | | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | | |
| Opening Gross Carrying Amount | 621.71 | 523.82 | 12,149.86 | 270.77 | 36,114.03 | 291.04 | 377.25 | 352.62 | 50,701.10 | 722.06 |
| Additions | 36.08 | - | 1,388.79 | 59.07 | 2,682.14 | 40.97 | 104.61 | 153.82 | 4,465.48 | 3,872.81 |
| Disposals | - | - | - | 41.86 | 444.89 | 6.62 | 8.35 | 133.27 | 634.99 | - |
| Transfers | - | - | - | - | - | - | - | - | - | 2,884.20 |
| Transfers from Assets Classified as held for Sale (Refer Note No 10) | - | - | - | - | 6.93 | - | - | - | 6.93 | - |
| Closing Gross Carrying Amount | 657.79 | 523.82 | 13,538.65 | 287.98 | 38,358.21 | 325.39 | 473.51 | 373.17 | 54,538.52 | 1,710.67 |
| Accumulated Depreciation | | | | | | | | | | |
| Opening Accumulated Depreciation | 40.06 | - | 2,283.86 | 126.88 | 13,543.44 | 199.42 | 286.03 | 253.46 | 16,733.15 | - |
| Depreciation charge during the year-Continuing Operations | 8.13 | - | 960.84 | 39.07 | 4,270.47 | 43.71 | 76.94 | 34.24 | 5,433.40 | - |
| Disposals | - | - | - | 16.00 | 109.17 | 4.24 | 5.90 | 124.04 | 259.35 | - |
| Transfers from Assets Classified as held for Sale (Refer Note No 10) | - | - | - | - | 3.12 | - | - | - | 3.12 | - |
| Closing Accumulated Depreciation | 48.19 | - | 3,244.70 | 149.95 | 17,707.86 | 238.89 | 357.07 | 163.66 | 21,910.32 | - |
| Net Carrying Amount | 609.60 | 523.82 | 10,293.95 | 138.03 | 20,650.35 | 86.50 | 116.44 | 209.51 | 32,628.20 | 1,710.67 |

Notes

- 1) All Property , Plant and equipment are Held in the name of the Company
- 2) Refer to Note No 31 for Information on Property , Plant & Equipment Pledged as Security by the Company
- 3) **Capital Work Work in Progress**
Capital Work in Progress is towards expansion of Various Business Units of the Company
- 4) Previous Period Figures have been re-classified / re-arranged where ever considered necessary to make them Comparable with Current year classification
- 5) The Company has not revalued its property, Plant & equipment and intangible assets during the year





Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 3A Ageing of Capital Work in Progress (CWIP)

| Particulars | Amount of 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 | | | | | |
| Project in Progress | 3,674.28 | 122.69 | - | - | 3,796.97 |
| Project temporarily suspended | | | | | |
| Total | 3,674.28 | 122.69 | - | - | 3,796.97 |
| As at 31st March 2022 | | | | | |
| Project in Progress | 1,225.06 | 269.92 | 43.52 | 172.17 | 1,710.67 |
| Project temporarily suspended | | | | | |
| Total | 1,225.06 | 269.92 | 43.52 | 172.17 | 1,710.67 |

Note 4 : Investment Properties

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Gross Carrying Amount | | |
| Opening Gross Carrying Amount | 1,028.61 | 1,028.61 |
| Additions during the year | - | - |
| Disposals | 3.02 | - |
| Closing Gross Carrying Amount | 1,025.59 | 1,028.61 |
| Accumulated Depreciation | | |
| Opening Accumulated Depreciation | 223.77 | 182.63 |
| Depreciation Charge for the year | 39.14 | 41.14 |
| Disposals | - | - |
| Closing Accumulated Depreciation | 262.91 | 223.77 |
| Net Carrying Amount | 762.68 | 804.84 |

i) Amount recognised in profit and loss for investment properties

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Rental Income | 74.13 | 69.08 |
| Direct Operating expenses from property that generated rental income | 14.17 | 15.53 |
| Direct Operating expenses from property that did not generate rental income | - | - |
| Profit from Investment Properties before Depreciation | 59.96 | 53.55 |
| Depreciation | 39.14 | 43.24 |
| Profit from Investment Properties | 20.82 | 10.31 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

ii) Fair Value

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|-----------------------|--------------------------|--------------------------|
| Investment Properties | 2,339.17 | 2,251.74 |

Estimation of Fair value :

The above valuation of the Investment Properties are in accordance with the Ready Reckoner rates as prescribed by the Government of Maharashtra for the Purpose of levying Stamp Duty. Since the Valuation is based on the Published Ready Reckoner rates , the Company has Classified the same under Level 2

iii) Leasing arrangements

The Company has entered in to various a non cancellable leasing agreements . There is an escalation clause in the lease agreement during the lease year in line with expected general inflation. There are no restrictions imposed by lease arrangements . There are no contingent rents. The total Future minimum lease rentals receivable at the balance sheet date are as under (for non cancellable Lease Period only)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Within one year | 50.34 | 49.36 |
| Later than one year but not later than 5 years | 19.64 | 57.25 |
| Later than 5 years | - | - |

Note 5 : Intangible assets

| Particulars | Computer Software * | Total |
|--|------------------------|---------------|
| Year Ended 31st March, 2023 | | |
| Gross Carrying Amount | | |
| Opening Gross Carrying Amount | 359.98 | 359.98 |
| Additions during the year | 92.53 | 92.53 |
| Closing Gross Carrying Amount | 452.51 | 452.51 |
| Accumulated Amortisation | | |
| Opening Accumulated Amortisation | 312.78 | 312.78 |
| Amortisation charge for the year | 54.51 | 54.51 |
| Closing Accumulated Amortisation | 367.29 | 367.29 |
| Closing Net Carrying Amount | 85.22 | 85.22 |
| Year Ended 31st March , 2022 | | |
| Gross Carrying Amount | | |
| Opening Gross Carrying Amount | 289.18 | 289.18 |
| Additions during the year | 70.80 | 70.80 |
| Closing Gross Carrying Amount | 359.98 | 359.98 |
| Accumulated Amortisation and Impairment | | |
| Opening Accumulated Amortisation | 261.20 | 261.20 |
| Amortisation Charge for the year | 51.58 | 51.58 |
| Closing Accumulated Amortisation and Impairment | 312.78 | 312.78 |
| Closing Net Carrying Amount | 47.20 | 47.20 |

* Computer Software includes expenditure on computer software which is not an integral part of hardware



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note - 6 : Financial Assets

Note 6(a) : Non Current Investments

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Investment in Equity Instruments (Fully Paid up , Unless other wise stated) | | |
| Investment In Equity Instrument of Subsidiaries & Joint Venture (At Cost) | | |
| Unquoted | | |
| 13,50,002 (P.Y 13,50,002) Shares of 1 Pound each of Technocraft International Ltd, UK. | 1,224.14 | 1,224.14 |
| 4,99,930 (P.Y 4,99,930) shares of ₹ 100/- each of Technosoft Engineering Projects Ltd | 112.38 | 112.38 |
| 4,500 (P.Y 4,500) shares of PLN 500 each of Technocraft Trading Spolka Z.O.O (Poland) | 265.07 | 265.07 |
| Shares of Anhui Reliable Steel Technology Co. Ltd , China | 1,080.16 | 1,080.16 |
| 6,49,995 (P.Y 6,49,995) shares of ₹ 10/- each of Technocraft Tabla Formworks Systems Pvt. Ltd. | 65.00 | 65.00 |
| 100(P.Y 100) Shares of New Zealand Dollar 1000/- each of Technocraft NZ Limited | 46.91 | 46.91 |
| 7,000 (P.Y 7,000) shares of ₹ 10/- each of Techno Defence Pvt Ltd | 0.70 | 0.70 |
| 50,000 (P.Y 50,000) Shares of ₹ 10/- each of Shivale Infra Products Pvt Ltd | 5.00 | 5.00 |
| 250,000 (P.Y 250,000) Shares of ₹ 10/- each of Technocraft Fashions Limited | 25.00 | 25.00 |
| 95,00,000 (P.Y 20,000) Shares of ₹ 10/- each of Technocraft Textiles Limited | 950.00 | 2.00 |
| 10,000 (P.Y 10,000) Shares of ₹ 10/- each of Technocraft formworks Private Limited | 1.00 | 1.00 |
| 10,000 (P.Y NIL) Shares of ₹ 10/- each of Technocraft Speciality Yarns Ltd | 1.00 | - |
| Investment In Preference Shares of Subsidiaries (At Cost) | | |
| Unquoted , Fully paid Up | | |
| 7,50,000 (P.Y 7,50,000) 7% Non Cumulative Redeemable Preference Shares of Technocraft Fashions Limited | 75.00 | 75.00 |
| | 3,851.36 | 2,902.36 |
| Investment In Equity Instrument of Co-operative Societies (At Fair Value through Profit & Loss) | | |
| Unquoted | | |
| 30 (P.Y : 30) shares of Mittal Court Premises Co-Op. Society Ltd. | 0.02 | 0.02 |
| 15 (P.Y : 15) shares of Udit Mittal Court Industrial Premises Co-Op. Society Ltd. | 0.01 | 0.01 |
| NIL (P.Y : 10) shares of Green Lawns Co-op Society Ltd. | - | 0.01 |
| | 0.03 | 0.04 |
| Total (Equity Instruments & Preference Shares) | 3,851.39 | 2,902.40 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Investment In Mutual Funds (At Fair value through Profit and loss) | | |
| Unquoted | | |
| 1,96,25,652.993 (P.Y 1,96,25,652.993) Units of ₹ 10/- each of HDFC Corporate Bond Fund | 5,334.25 | 5,128.78 |
| 1,30,86,264.657 (P.Y 2,83,14,405.527) Units of ₹ 10/- each of SBI Corporate Bond Fund | 1,709.60 | 3,561.83 |
| 39,218.927 (P.Y 39,218.927) Units of ₹ 10/- each of SBI Banking & PSU Fund | 1,034.64 | 999.44 |
| 1,49,99,250.037 (P.Y 1,49,99,250.037) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1857 Days | 1,647.94 | 1,593.36 |
| 48,73,541.922 (P.Y.48,73,541.922) Units of ₹ 10/- each of HDFC Medium Term Debt Fund # | 2,309.26 | 2,229.82 |
| 17,47,797.669 (P.Y 69,68,292.700) Units of ₹ 10/- each of Kotak Balanced Advantage Fund | 261.70 | 1,003.99 |
| 90,07,522.820 (P.Y 90,07,522.820) Units of ₹ 10/- each of Kotak Medium Term Fund | 1,706.16 | 1,656.00 |
| 1,49,99,250.037 (P.Y. 1,49,99,250.037) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1855 Days | 1,623.20 | 1,569.12 |
| 96,77,600.725 (P.Y 58,38,726.330) Units of ₹ 10/- each of SBI Balanced Advantage Fund | 1,066.10 | 606.22 |
| 2,39,98,800.060 (P.Y 2,39,98,800.060) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1850 Days | 2,595.16 | 2,508.04 |
| 17,68,899.429 (P.Y.17,68,899.429) Units of ₹ 10/- each of SBI International Access -US Equity FoF | 199.15 | 212.05 |
| 2,99,86,502.093 (P.Y NIL) Units of ₹ 10/- each of Kotak Nifty SDL April 2027 Index Fund | 3,108.93 | - |
| 2,47,73,352.887 (P.Y NIL) Units of ₹ 10/- each of SBI Crisil IBX SDL Index -Sept 2027 Fund | 2,572.27 | - |
| 47,69,980.072 (P.Y NIL) Units of ₹ 10/- each of SBI Crisil IBX GILT INDEX -June 2036 Fund | 499.21 | - |
| Total (Mutual Funds) | 25,667.57 | 21,068.65 |
| Investment In LLP (At cost) | | |
| Capital Account in Bente Technologies LLP | 0.50 | 0.50 |
| Partners 1) Technocraft Industries India Limited & 2) Mr Sanjeev Sinha Total Fixed Capital of the Firm is ₹ 1 Lakh. (% of Share in Profit / Loss is 50% of Technocraft Industries India Limited & 50% of Mr Sanjeev Sinha) | | |
| Total Investment In Partnership Firm/LLP | 0.50 | 0.50 |
| Total Non - Current Investments | 29,519.46 | 23,971.55 |
| Aggregate Amount of Unquoted Investments | 29,519.46 | 23,971.55 |

Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Non Current Investments Lien as on 31st March 2023 is ₹ 2,309.26 Lakhs (P.Y NIL).Also Refer Note No 31 for details of Investments Pledged as Security .



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 6(a) : Current Investments

| Particulars | As at | |
|--|-----------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Investment In Mutual Funds (At Fair value through Profit and loss) | | |
| Unquoted | | |
| NIL (P.Y 29,04,528.315) units of ₹ 10/- Each of HDFC Monthly Income Plan. | - | 1,737.93 |
| NIL (P.Y 65 ,52,921.437) units of ₹ 10/- each of ICICI Prudential Regular Saving Fund | - | 3,661.71 |
| 10,42,505.059 (P.Y 74,51,232.489) units of ₹ 10/- each of HDFC Equity Saving Fund -Growth # | 525.12 | 3,597.38 |
| NIL (P.Y 14,18,037.436) units of ₹ 10/- each of HDFC Equity Saving Fund -DG | - | 743.26 |
| NIL (P.Y 4,41,930.352) Units of ₹ 10/- each of ICICI Prudential Balanced Fund | - | 998.59 |
| NIL (P.Y 48,70,208.867) units of ₹ 10/- each of ICICI Prudential Equity Income Fund | - | 837.68 |
| NIL (P.Y 95,10,359.729) Units of ₹10/- each of SBI Equity Saving Fund | - | 1,710.38 |
| NIL (P.Y 70,00,000) Units of ₹ 10/- each of HDFC FMP 1487 D August 2018 | - | 965.19 |
| NIL (P.Y 50,00,000) Units of ₹ 10/- each of HDFC FMP 1190 D January 2019 | - | 641.40 |
| Total (Mutual Funds) | 525.12 | 14,893.52 |
| Investment in Equity Instruments | | |
| Investment In Equity Shares (At Fair value through Profit and loss) | | |
| Quoted | | |
| 3,080 (P.Y 3,080) Shares of ₹ 10/- each of Avenue Supermarkets Limited | 104.82 | 123.18 |
| Total (Equity Instruments) | 104.82 | 123.18 |
| Total Current Investments | 629.94 | 15,016.70 |
| Aggregate Amount of Unquoted Investments | 525.12 | 14,893.52 |
| Aggregate Amount of Quoted Investments | 104.82 | 123.18 |
| Aggregate Market Value of Quoted Investments | 104.82 | 123.18 |

Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Current Investments Lien as on 31st March 2023 is ₹ 525.12 Lakhs (P.Y NIL).Also Refer Note No 31 for details of Investments Pledged as Security.

Note 6(b) : Loans

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|-----------------|------------------------|-----------------|
| | Current | Non - Current | Current | Non - Current |
| Loans to Subsidiaries (Related Parties) | 438.74 | 2,609.03 | - | 4,302.59 |
| Loans to Employees | - | 112.00 | - | 66.99 |
| Total Loans | 438.74 | 2,721.03 | - | 4,369.58 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Break up | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--|------------------------|-----------------|------------------------|-----------------|
| | Non - Current | Current | Non -Current | Current |
| Loan Considered good-Secured | - | - | - | - |
| Loan Considered good-Unsecured | 438.74 | 2,721.03 | - | 4,369.58 |
| Loans which have significant increase in credit risk | - | - | - | - |
| Loans -credit impaired | - | - | - | - |
| Total | 438.74 | 2,721.03 | - | 4,369.58 |
| Less Allowance for Doubtful Loans | - | - | - | - |
| Total Loans | 438.74 | 2,721.03 | - | 4,369.58 |

Particulars of Loans Given , Guarantees Given and Investments made as per requirement of section 186(4) of the Companies Act ,2013 are as Under

1. The details of the Loans (Current & Non Current) Given are as Under

| Name of the Party | Balance as on | | Maximum Balance | |
|---|------------------|------------------|------------------|------------------|
| | 31st March, 2023 | 31st March, 2022 | 31st March, 2023 | 31st March, 2022 |
| Anhui Reliable Steel Technology Company Ltd, China | - | 303.21 | - | 599.50 |
| Technocraft NZ Limited | 539.57 | 510.37 | 539.57 | 510.37 |
| Technocraft International Limited | 805.67 | 2,163.88 | 2,163.88 | 2,240.40 |
| Technocraft Fashions Limited | 1,263.79 | 608.24 | 1,263.79 | 608.24 |
| Technocraft Textiles Limited | 193.16 | 716.89 | 968.10 | 716.89 |
| Technocraft Speciality Yarns Limited | 119.90 | - | 119.90 | - |
| Technocraft Formwork Private Limited (erst while Technomatic Packaging Private Limited) | 125.68 | - | 125.68 | - |
| Total | 3,047.77 | 4,302.59 | 5,180.92 | 4,675.40 |

a) All the above Loans have been given as Inter Corporate Deposits & For business Purposes only

b) All the above loans are interest bearing. Interest is Charged @10% p.a

2. The Particulars of Investments made in the wholly owned Subsidiaries are disclosed in Note No 6(a)

3. The Company has also Provided Corporate Guarantee to the lender Banks of the Subsidiaries for availing working capital Facilities , the details of which are disclosed in Note No 30

4. Details of Loan Granted to Related Parties that are repayable on demand are as Under

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|--|--|---|--|
| | Amount of loan or advances in the nature of loan outstanding | % of total loans and advances in the nature of Loans | Amount of loan or advance in the nature of loan outstanding | % of total loans and advances in the nature of Loans |
| Loan to Related Parties (Subsidiaries) | 2,609.03 | 82.57 | 4,302.59 | 98.47 |
| Total | 2,609.03 | 82.57 | 4,302.59 | 98.47 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 6(c) : Others Financial Assets

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|-----------------|------------------------|---------------|
| | Current | Non - Current | Current | Non - Current |
| Security Deposits with : | | | | |
| Government Department | - | 365.71 | - | 365.23 |
| Others | 163.56 | - | 153.40 | - |
| Bank Deposits with more than 12 Months Maturity * | - | 2,747.97 | - | 189.20 |
| Others | 1,623.62 | - | 1,806.36 | - |
| Total Other Financial Assets | 1,787.18 | 3,113.68 | 1,959.76 | 554.43 |

* Bank Deposit are pledged against Bank Overdraft / Bank Guarantee .Also Refer Note No 31 for details of Fixed Deposits Pledged as Security.

Note 6(d) : Trade Receivables

| Particulars | As at | As at |
|--|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Trade Receivables (other than related parties) | 22,161.10 | 32,423.99 |
| Receivables from related parties | 38,520.97 | 16,961.56 |
| Trade Receivables which have significant increase in credit risk | - | - |
| Trade Receivables -Credit Impaired | - | - |
| Less : Allowance for doubtful trade receivables | - | - |
| Total Trade Receivables | 60,682.07 | 49,385.55 |
| Current Portion | 60,682.07 | 49,385.55 |
| Non - Current Portion | - | - |
| Break-up of security details | | |
| Secured ,Considered good | - | - |
| Unsecured , Considered good | 60,682.07 | 49,385.55 |
| Doubtful | - | - |
| Total | 60,682.07 | 49,385.55 |
| Allowance for doubtful Trade Receivables | - | - |
| Total Trade Receivables | 60,682.07 | 49,385.55 |

The above Trade Receivables are Hypotheciated to various banks against availment of Working Capital Facilities .Also Refer Note No 31 for details of Debtors Pledged as Security.

Trade Receivables ageing as at 31st March, 2023 (outstanding for following periods from due date of payment)

| Particulars | Not due | Less than 6 Months | 6 Months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|-----------|--------------------|------------------|-----------|-----------|-------------------|-----------|
| Undisputed Trade Receivables -Considered Good | 29,122.91 | 26,034.31 | 5,248.28 | - | - | - | 60,405.50 |
| Undisputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Considered Good | - | 139.79 | 37.08 | 81.39 | 18.31 | - | 276.57 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Not due | Less than 6 Months | 6 Months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|------------------|--------------------|------------------|--------------|--------------|-------------------|------------------|
| Disputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Total | 29,122.91 | 26,174.10 | 5,285.36 | 81.39 | 18.31 | - | 60,682.07 |

Trade Receivables ageing as at 31st March, 2022 (outstanding for following periods from due date of payment)

| Particulars | Not due | Less than 6 Months | 6 Months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|------------------|--------------------|------------------|---------------|-----------|-------------------|------------------|
| Undisputed Trade Receivables -Considered Good | 32,062.75 | 15,961.80 | 1,032.52 | - | - | - | 49,057.07 |
| Undisputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Considered Good | - | 69.30 | 82.07 | 177.11 | - | - | 328.48 |
| Disputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Total | 32,062.75 | 16,031.10 | 1,114.59 | 177.11 | - | - | 49,385.55 |

Note 6(e) : Cash and cash equivalents

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|-----------------------|-----------------------|
| Balances with Banks - In current accounts | 12,250.54 | 5,268.55 |
| Cash on Hand | 27.09 | 19.80 |
| Total Cash and Cash Equivalents | 12,277.63 | 5,288.35 |

Note 6(f) : Other Bank Balances

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------|-----------------------|
| In Unclaimed Dividend Accounts | 2.40 | 4.91 |
| Fixed Deposit Accounts Between 3 & 12 Months * | 626.23 | 2,682.28 |
| Total Other Bank Balances | 628.63 | 2,687.19 |

* Fixed Deposit are pledged against Bank Overdraft / Bank Guarantee .Also Refer Note No 31 for details of Fixed Deposits Pledged as Security.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 7 : Other Non-Current Assets

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---------------------------------------|--------------------------|--------------------------|
| Capital Advances | 882.07 | 684.21 |
| Total Other Non Current Assets | 882.07 | 684.21 |

Note 8 : Inventories

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--------------------------|--------------------------|--------------------------|
| Raw Material | 18,713.42 | 14,152.47 |
| Work in Progress | 9,044.57 | 7,464.54 |
| Finished Goods | 5,555.04 | 7,228.19 |
| Stores and Spares | 2,262.73 | 2,036.99 |
| Scrap | 527.60 | 195.35 |
| Fuel & Oil | 92.35 | 299.74 |
| Packing Materials | 214.94 | 299.69 |
| Total Inventories | 36,410.65 | 31,676.97 |

Also Refer Note No 31 for details of Inventories pledged as securities.

Note 9 : Other Current Assets

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Prepaid Expenses | 324.06 | 222.76 |
| Balance With Statutory Authorities | 3,885.24 | 3,295.96 |
| Advance Expenditure on Corporate Social Responsibility (Refer Note No 39) | 250.00 | 149.60 |
| Others | 1,538.85 | 2,265.59 |
| Total Other Current Asset | 5,998.15 | 5,933.91 |

Note 10 : Assets Classified as Held for Sale

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Net Carrying Value transferred from Property , Plant & Equipment & Intangible Assets (Refer Note No 3 & 5) | 507.36 | 810.57 |
| Add : Reversal of Impairment loss recognised in earlier years | 500.00 | - |
| Less Net Carrying Value of Assets sold during the year | 698.92 | 299.40 |
| Less Transferred to Property , Plant & Equipment | - | 3.81 |
| Net Value of Assets Classified as Held for Sale | 308.44 | 507.36 |
| Net Value of Assets Classified as Held for Sale -Continuing Operations | 5.15 | 6.96 |
| Net Value of Assets Classified as Held for Sale -Discontinued Operations | 303.29 | 500.40 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note - 11 : Equity Share Capital & Other Equity

Note 11(a) : Equity Share Capital

| Particulars | As at | |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Authorised | | |
| 4,00,00,000 (P.Y 4,00,00,000) Equity Shares of ₹.10/- Each. | 4,000.00 | 4,000.00 |
| | 4,000.00 | 4,000.00 |
| Issued, Subscribed and Fully Paid Up | | |
| 2,29,61,687/- (P.Y 2,44,61,687) Equity Shares of ₹.10/- Each Fully Paid Up | 2,296.17 | 2,446.17 |
| | 2,296.17 | 2,446.17 |

a). Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 /-per share. Each holder of equity share 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 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.

b). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period :

| Name of the Party | Equity Shares | | | |
|---|------------------------|--------------|-------------------------|--------------|
| | As on 31st March, 2023 | | As on 31st March , 2022 | |
| | Number | ₹ (in Lakhs) | Number | ₹ (in Lakhs) |
| Shares outstanding at the beginning of the year | 24,461,687 | 2,446.17 | 24,461,687 | 2,446.17 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | 1,500,000 | 150.00 | - | - |
| Shares outstanding at the end of the year | 22,961,687 | 2,296.17 | 24,461,687 | 2,446.17 |

c). Details of Shareholders holding more than 5% shares in the company:

| Name of the Shareholder | Equity Shares | | | |
|----------------------------------|------------------------|--------------|-------------------------|--------------|
| | As on 31st March, 2023 | | As on 31st March , 2022 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Sudarshan Kumar Saraf | 6,432,349 | 28.01 | 6,794,903 | 27.78 |
| Shakuntala Saraf | 4,894,020 | 21.31 | 5,169,867 | 21.13 |
| Dr. Sharad Kumar Madhoprasad HUF | 2,087,695 | 9.09 | 2,205,366 | 9.02 |
| Navneet Kumar Saraf | 1,337,685 | 5.83 | 1,413,082 | 5.78 |

d). The Company has not issued any equity shares as bonus or for Consideration other than cash and has bought back 15,00,000 /- equity Shares during the Period of five years immediately preceding 31st March 2023. The said equity shares were bought back on 24-2-2023.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

e) Shares held by Promoter's & Promoter Group at the end of the year

As at 31st March, 2023

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Change during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf | 6,794,903 | 362,554 | 6,432,349 | 28.01 | 5.34 |
| Shakuntala Saraf | 5,169,867 | 275,847 | 4,894,020 | 21.31 | 5.34 |
| Sharad Kumar Saraf HUF | 2,205,366 | 117,671 | 2,087,695 | 9.09 | 5.34 |
| Navneet Kumar Saraf | 1,413,082 | 75,397 | 1,337,685 | 5.83 | 5.34 |
| Dr. Sharad Kumar Saraf | 406,840 | 21,707 | 385,133 | 1.68 | 5.34 |
| Suman Saraf | 117,332 | 6,260 | 111,072 | 0.48 | 5.34 |
| Sudarshan Kumar Saraf HUF | 74,797 | 3,990 | 70,807 | 0.31 | 5.33 |
| Ritu Saraf | 156,464 | 8,348 | 148,116 | 0.65 | 5.34 |
| Ashish Kumar Saraf | 504,914 | 26,940 | 477,974 | 2.08 | 5.34 |
| Nidhi Saraf | 543,337 | 28,990 | 514,347 | 2.24 | 5.34 |
| Priyanka Saraf | 500,000 | 26,678 | 473,322 | 2.06 | 5.34 |
| Ashrit Holdings Limited | 380,446 | 180,230 | 200,216 | 0.87 | 47.37 |
| Total | 18,267,348 | 1,134,612 | 17,132,736 | 74.61 | - |

As at 31st March , 2022

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Change during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf | 6,794,903 | - | 6,794,903 | 27.78 | - |
| Shakuntala Saraf | 5,169,867 | - | 5,169,867 | 21.13 | - |
| Sharad Kumar Saraf HUF | 2,205,366 | - | 2,205,366 | 9.02 | - |
| Navneet Kumar Saraf | 1,413,082 | - | 1,413,082 | 5.78 | - |
| Dr. Sharad Kumar Saraf | 406,840 | - | 406,840 | 1.66 | - |
| Suman Saraf | 117,332 | - | 117,332 | 0.48 | - |
| Sudarshan Kumar Saraf HUF | 74,797 | - | 74,797 | 0.31 | - |
| Ritu Saraf | 156,464 | - | 156,464 | 0.64 | - |
| Ashish Kumar Saraf | 504,914 | - | 504,914 | 2.06 | - |
| Nidhi Saraf | 543,337 | - | 543,337 | 2.22 | - |
| Priyanka Saraf | 500,000 | - | 500,000 | 2.04 | - |
| Ashrit Holdings Limited | 380,446 | - | 380,446 | 1.56 | - |
| Total | 18,267,348 | - | 18,267,348 | 74.68 | - |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 11(b) : Other Equity

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Capital Redemption Reserve | 856.51 | 706.51 |
| Others : | | |
| Capital Reserve | 20.51 | 20.51 |
| General Reserve | 12,007.44 | 12,157.44 |
| Retained Earnings | 102,707.37 | 101,880.65 |
| Total other Equity | 115,591.83 | 114,765.11 |
| (i) Capital Redemption Reserve | | |
| Particulars | As at 31st March 2023 | As at 31st March 2022 |
| Opening Balance | 706.51 | 706.51 |
| Add Transfer from General Reserve | 150.00 | - |
| Closing Balance | 856.51 | 706.51 |
| (ii) Capital Reserve | | |
| Particulars | As at 31st March 2023 | As at 31st March 2022 |
| Opening Balance | 20.51 | 20.51 |
| Closing Balance | 20.51 | 20.51 |
| (iii) General Reserve | | |
| Particulars | As at 31st March 2023 | As at 31st March 2022 |
| Opening Balance | 12,157.44 | 12,157.44 |
| Less Transfer to Capital Redemption Reserve | 150.00 | - |
| Closing Balance | 12,007.44 | 12,157.44 |
| (iv) Retained Earnings | | |
| Particulars | As at 31st March 2023 | As at 31st March 2022 |
| Opening Balance | 101,880.65 | 79,923.11 |
| Add : Total Comprehensive Income for the year after tax | 19,037.66 | 21,957.54 |
| Less Amount paid upon Buyback of Equity Shares | 14,850.00 | - |
| Less Tax on Buyback of Equity Shares | 3,360.94 | - |
| Closing Balance | 102,707.37 | 101,880.65 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Capital Redemption Reserve

Represent Reserve created during the buyback of Equity Shares and it is non distributable Reserve .

Capital Reserve

During amalgamation / merger approved by Honourable Court, the excess of net assets taken over the Consideration paid , if any, is treated as Capital Reserve .

General Reserve

The reserve arises on transfer portion of the net profit pursuant to the earlier Provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act , 2013.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Note 12(a) : Non Current Borrowings

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|-------------------------------------|--------------------------|--------------------------|
| Secured | | |
| Term Loans | | |
| From banks | | |
| ICICI Bank Rupee Term Loan (I) | 3.96 | 13.72 |
| ICICI Bank Rupee Term Loan (II) | 21.28 | 36.84 |
| Kotak Mahindra Bank Rupee Term Loan | 2,910.38 | 4,570.10 |
| State Bank of India Car Loan | 17.76 | 38.44 |
| HSBC Bank Rupee Term Loan | - | 114.35 |
| Total Non Current Borrowings | 2,953.38 | 4,773.45 |

I. Nature of Security

- 1) Term Loan From ICICI Bank(I+II) is Secured against Fixed Deposits of the Company.
- 2) Term Loan From Kotak Mahindra Bank Is Secured by way of Hypothecation over Plant & Machinery & Equipment acquired out of the said Loan & also by way of Equitable Mortgage over Specific Immovable Properties of Textile Division situated at Amravati (Yarn Division)
- 3) Car Loan from State Bank of India is Secured by way of Hypothecation over Motor Car acquired out of the said Loan
- 4) Term Loan from HSBC Bank is Secured by way of PariPassu Charge on Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Specific Immovable Properties of Scaffolding Division situated at Murbad.

II. Terms of Repayment

- 1) Term Loan from ICICI Bank (I) is Repayable in 20 Quarterly equal Installments starting from 31-3-2020 & ending on 28-2-2025. Rate of Interest is 9.10 % p.a as at the year end.(31st March 2022: 7.95 % p.a)
- 2) Term Loan from ICICI Bank (II) is Repayable in 20 Quarterly equal Installments starting from 30-9-2020 & ending on 31-8-2025. Rate of Interest is 9.55 % p.a at the year end. (31st March 2022 : 8.00% p.a)



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

- 3) Term Loan from Kotak Mahindra Bank is Repayable in 20 Quarterly equal Installments starting from 05.01.2021 & ending on 05.10.2025 .Rate of Interest is 8.95 % p.a as at the year end. (31st March 2022 7.10% p.a
- 4) Car Loan from State Bank of India is Repayable in 36 Quarterly equal Monthly Installments starting from 8-4-2022 & ending on 8-3-2025 . Rate of Interest is 7.25 % p.a as at the year end. (31st March 2022 7.25% p.a)
- 5) Term Loan from HSBC Bank is Repayable in 20 Quarterly equal Installments starting from 27.09.2019 & ending on 27.06.2024 . Rate of Interest is 9.48 % p.a as at the year end. (31st March 2022 7.65 % p.a)

III. Quarterly Statements of Current Assets filed by the Company with Banks are in agreement with the Books of Accounts.

Note 12(a) : Current Borrowings

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Secured | | |
| From banks | | |
| 1. H.D.F.C. Bank- Overdraft | 757.27 | 794.99 |
| 2. H.D.F.C Bank -Working Capital Loan | 1,500.00 | 1,500.00 |
| 3. H.D.F.C. Bank - Rupee Packing Credit | 17,496.46 | 12,599.85 |
| 4. Kotak Mahindra Bank- Rupee Packing Credit | 8,177.62 | 6,181.16 |
| 5. Kotak Mahindra Bank- Working Capital Loan | 20.66 | 20.46 |
| 6. HSBC -Rupee Packing Credit | 2,000.00 | - |
| 7. ICICI Bank -Rupee Packing Credit | 5,048.00 | - |
| 8. ICICI Bank- Working Capital Loan | 86.61 | 5.19 |
| 9. ICICI Bank- Overdraft | - | 1.03 |
| 10. DBS Bank -Rupee Packing Credit | 3,902.71 | 2,113.26 |
| 11. DBS Bank- Foreign Currency (\$) Packing Credit | - | 1,743.17 |
| 12. Current Maturity on Long Term Loans | 1,857.73 | 1,876.24 |
| Unsecured | | |
| From banks | | |
| 1. Axis Bank- Rupee Packing Credit | 7,500.00 | 2,000.00 |
| 2. Axis Bank - Foreign Currency (\$) Packing Credit | - | 2,955.81 |
| 3. HSBC Bank (Vendor Discounting) | 582.05 | - |
| 4. IDFC Bank -Working Capital Loan | - | 5.23 |
| Total Current Borrowings | 48,929.11 | 31,796.39 |

I. Nature of Security

1. Overdraft From H.D.F.C Bank is Secured Against Fixed Deposits of the Company.
2. Working Capital Loan From HDFC Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Companies Specific Immovable Properties of Scaffolding Division situated at Murbad .
3. Export Packing Credit Against Confirmed Orders From HDFC Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Companies Specific Immovable Properties of Scaffolding Division Situated at Murbad.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

4. Export Packing Credit Against Confirmed Orders From Kotak Mahindra Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad & Amravati (Yarn Division).
 5. Working Capital Loan From Kotak Mahindra Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad & Amravati (Yarn Division).
 6. Export Packing Credit Against Confirmed Orders From HSBC Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Companies Specific Immovable Properties of Scaffolding Division Situated at Murbad.
 7. Export Packing Credit Against Confirmed Orders From ICICI Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad
 8. Working Capital Loan from ICICI Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad.
 9. Overdraft from ICICI Bank was Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad .
 10. Export Packing Credit (Rupee) Against Confirmed Orders From DBS Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Drum Closure Division situated at Murbad
 11. Export Packing Credit (\$) Against Confirmed Orders From DBS Bank was Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Drum Closure Division situated at Murbad
- II. Quarterly Statements of Current Assets filed by the Company with Banks are in agreement with the Books of Accounts.

Note 12(b) : Other financial liabilities

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|--|------------------------|---------------|------------------------|---------------|
| | Current | Non - Current | Current | Non - Current |
| Security Deposits | 275.78 | 23.82 | 225.04 | 23.94 |
| Liabilities For Expenses | 1,795.35 | - | 1,632.00 | - |
| Unclaimed Dividend | 2.40 | - | 4.91 | - |
| Total Other Financial Liabilities | 2,073.53 | 23.82 | 1,861.95 | 23.94 |

Note 12(c) : Trade payables

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Current | | |
| Amounts due to related parties | 3,664.36 | 3,190.88 |
| Total Outstanding dues to Micro & Small Enterprises | 52.10 | 59.13 |
| Others | 11,498.95 | 11,570.90 |
| Total Trade Payables | 15,215.41 | 14,820.91 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro , Small and Medium Enterprises Development Act, 2006 ('MSMED Act') .The disclosures Pursuant to the said MSMED Act are as Follows :

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| The Principal amount remaining unpaid to any supplier at the end of the year | 52.10 | 59.13 |
| Interest due remaining unpaid to any supplier at the end of the year | - | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act , 2006, along with the amount of the payment made to the Supplier beyond the appointed day during the year | - | - |
| 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 year) 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 | - | - |
| The 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 enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act , 2006 | - | - |

Note-Disclosure of payable to vendors as defined under the “Micro , Small and Medium Enterprise Development Act ,2006” is based on the information available with the Company regarding the Status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance sheet date .There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on Balance brought forward from previous year.

Trade Payables Ageing as at 31st March 2023 (outstanding from due date of Payment)

| Particulars | Not due | Less than | 1-2 years | 2-3 years | More than | Total |
|--|------------------|-----------------|-----------|-----------|-----------|------------------|
| | | 1 year | | | 3 years | |
| Total Outstanding dues of micro enterprises and small enterprises | 52.10 | - | - | - | - | 52.10 |
| Total Outstanding dues of creditors other than mirco enterprises and small enterprises | 11,921.58 | 3,241.73 | - | - | - | 15,163.31 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro and small enterprises | - | - | - | - | - | - |
| Total | 11,973.68 | 3,241.73 | - | - | - | 15,215.41 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Trade Payables Ageing as at 31st March 2022 (outstanding from due date of Payment)

| Particulars | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|------------------|------------------|-----------|-----------|-------------------|------------------|
| Total Outstanding dues of micro enterprises and small enterprises | 59.13 | - | - | - | - | 59.13 |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 12,941.29 | 1,820.49 | - | - | - | 14,761.78 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro and small enterprises | - | - | - | - | - | - |
| Total | 13,000.42 | 1,820.49 | - | - | - | 14,820.91 |

Note 13 : Provisions

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|-----------------|------------------------|-----------------|
| | Current | Non - Current | Current | Non - Current |
| Provision For Leave Salary Encashment | 67.44 | 391.09 | 84.18 | 387.65 |
| Provision For Gratuity | 168.37 | 1,760.90 | 165.93 | 1,749.25 |
| Total Employee Benefit Obligations * | 235.81 | 2,151.99 | 250.11 | 2,136.90 |

* Also refer Note No 33 of Employee Benefits

Note 14 : Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to :

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Property , Plant & Equipment , Intangible Assets & Investment Properties | 496.13 | 372.11 |
| Employee Benefits | (594.27) | (600.76) |
| Investments | 489.97 | 1,031.97 |
| Others | 59.15 | 52.44 |
| Net Deferred Tax Liabilities | 450.98 | 855.76 |

Note 15 : Other Non-Current Liabilities

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Deferred Government Grant | 397.00 | 646.68 |
| Total Other Non Current Liabilities | 397.00 | 646.68 |

Note 16 : Current Tax Liabilities (Net)

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Provision For Taxation | 24,686.61 | 36,191.37 |
| Less : Advance Tax | 24,161.01 | 35,340.80 |
| Total Current Tax Liabilities (Net) | 525.60 | 850.57 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 17 : Other Current Liabilities

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Advance From Customers | 2,065.33 | 1,131.52 |
| Benten Technologies LLP-Current Account | 0.10 | 0.08 |
| Deferred Government Grant | 249.68 | 233.70 |
| Other Liabilities | 442.26 | 633.23 |
| Total Other Current Liabilities | 2,757.37 | 1,998.53 |

Note 18 : Revenue From Continuing Operations

| Particulars | Year Ended | Year Ended |
|---|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Sale of products | 170,086.02 | 154,794.93 |
| Rendering of Services | 407.35 | 981.42 |
| Other Operating Revenue | 12,015.65 | 10,913.74 |
| Total Revenue from Continuing Operations | 182,509.02 | 166,690.09 |

Disaggregation of Revenue

Revenue based on Geography

| Particulars | Year Ended | Year Ended |
|---|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Domestic | 70,106.88 | 62,306.05 |
| Export # | 112,402.14 | 104,384.04 |
| Total Revenue from Continuing Operations as per statement of Profit & Loss | 182,509.02 | 166,690.09 |

Export Incentives has been included in Export Revenue

Revenue based on Business Segment

| Particulars | Year Ended | Year Ended |
|--|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Drum Closure | 47,021.13 | 52,145.29 |
| Scaffolding | 94,368.99 | 63,256.01 |
| Yarn | 24,290.99 | 26,063.69 |
| Fabric | 16,827.90 | 25,225.10 |
| Total Revenue from Operations as per statement of Profit & Loss | 182,509.01 | 166,690.09 |

Contract Balances

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Trade Receivables | 60,682.07 | 49,385.55 |
| Contract Liabilities (Advances from Customers) | 2,065.33 | 1,131.52 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Reconciling the Amount of Revenue recognised in the statement of Profit & Loss with the Contracted Prices

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Contract Price | 182,891.23 | 166,972.46 |
| Less Discount , rebates , Returns, Claims etc | 382.22 | 282.37 |
| Total Revenue from Operations as per statement of Profit & Loss | 182,509.01 | 166,690.09 |

Note 19 : Other Income and Other Gains/(Losses)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Rental Income | 123.84 | 111.53 |
| Other Interest Income | 515.87 | 332.75 |
| Net Gain on financial assets measured at fair value through profit and loss | 872.00 | 2,290.90 |
| Net Gain on Disposal of Investments measured at fair value through Profit & Loss | 718.25 | 128.19 |
| Amortisation of Grant | 233.70 | 231.15 |
| Profit on Sale of Fixed Assets | 124.61 | 40.94 |
| Other Non-Operating Income | 590.82 | 978.61 |
| Net Foreign Exchange gain | 1,960.73 | 272.45 |
| Total Other Income | 5,139.82 | 4,386.52 |

Note 20 : Cost of materials consumed

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Raw Materials at the Beginning of the year | 14,152.47 | 10,447.54 |
| Add : Purchases (net) # | 95,586.62 | 82,739.77 |
| | 109,739.09 | 93,187.31 |
| Less : Raw Material at the end of the Year | 18,713.42 | 14,152.47 |
| | 91,025.67 | 79,034.84 |
| Packing Material Consumed | 1,341.99 | 1,412.95 |
| Total Cost of Material Consumed | 92,367.66 | 80,447.79 |

Purchases are reported net of Trade Discounts , Returns , Goods & Service Tax (to the extent refundable / adjustable) & Sales (if any) made during the course of Business

Note 21 : Changes in inventories of finished goods, Stock - in -Trade and work - in - progress

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|-------------------------------|-------------------------------|-------------------------------|
| Opening Balances | | |
| Work - in - Progress | 7,464.55 | 4,951.93 |
| Finished Goods | 7,228.19 | 6,590.61 |
| Scrap / Waste | 195.35 | 310.12 |
| Total Opening Balances | 14,888.09 | 11,852.66 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Closing Balances | | |
| Work - in - Progress | 9,044.57 | 7,464.55 |
| Finished Goods | 5,555.04 | 7,228.19 |
| Scrap / Waste | 527.60 | 195.35 |
| Total Closing Balances | 15,127.21 | 14,888.09 |
| Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress | (239.12) | (3,035.43) |

Note 22 : Employee benefits expenses

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Salaries, Wages, Bonus etc | 8,749.06 | 8,216.19 |
| Contribution To Provident Fund , ESIC & Other Funds | 489.21 | 494.60 |
| Gratuity Expenses (Also Refer Note No 33 of Employee Benefits) | 291.44 | 249.07 |
| Staff Welfare Expenses | 498.40 | 490.68 |
| Directors Remuneration | 598.28 | 597.25 |
| Total Employee Benefits Expenses | 10,626.39 | 10,047.79 |

Note 23 : Finance costs

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Interest | | |
| Interest Expenses (net) | 2,006.86 | 1,365.55 |
| Financial Cost | | |
| Bank Charges | 134.78 | 184.13 |
| Bank Guarantee Charges | 38.87 | 23.17 |
| Bank Processing Charges | 1.17 | 26.42 |
| L/C Charges | 70.28 | 63.65 |
| Finance Cost expensed in Profit or Loss | 2,251.96 | 1,662.92 |

Note 24 : Depreciation and amortisation expenses

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Continuing Operations | | |
| Depreciation on Property, Plant and Equipment | 5,265.86 | 5,433.40 |
| Depreciation on Investment Properties | 39.14 | 41.14 |
| Amortisation of Intangible Assets | 54.51 | 51.58 |
| Total Depreciation & Amortisation expenses | 5,359.51 | 5,526.12 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 25 : Other expenses

| Particulars | Year Ended | Year Ended |
|--|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Consumption of Stores and Spares & Other Consumable Items | 6,282.67 | 6,168.63 |
| Repairs & Maintenance | | |
| Plant & Machinery | 378.66 | 471.66 |
| Buildings | 561.02 | 337.72 |
| Others | 679.52 | 689.10 |
| Fuel And Oil Consumed | 2,013.19 | 1,421.73 |
| Power & Electricity | 5,207.47 | 4,483.20 |
| Job Work Charges | 6,595.64 | 6,214.58 |
| Labour Charges | 8,215.96 | 7,582.80 |
| Water Charges | 128.28 | 108.83 |
| Other Manufacturing Expenses | 774.19 | 845.09 |
| Freight & Other Export Charges | 11,486.91 | 10,156.62 |
| Selling & Distribution Expenses on Sales | 1,349.22 | 1,463.46 |
| Warehouse & Handling Charges | 140.80 | 144.47 |
| Commission/Brokerage | 1,164.62 | 1,348.81 |
| Sales Promotion / Advertisement Expenses | 212.46 | 143.89 |
| Travelling & Conveyance Expenses | 584.44 | 195.25 |
| Vehicle Expenses | 334.23 | 325.59 |
| Licence , Legal & Professional Expenses | 1,230.07 | 747.60 |
| Rent, Rates & Taxes | 354.48 | 386.23 |
| Insurance Expenses | 200.94 | 153.57 |
| Director Fees | 3.90 | 4.70 |
| Engineering & Design Charges | 141.58 | 159.29 |
| Technical Training Expenses | 46.98 | 54.45 |
| Printing & Stationery | 103.16 | 80.29 |
| Postage, Telegram & Telephone Expenses | 165.22 | 150.37 |
| Miscellaneous Expenses | 25.89 | 22.77 |
| Expenditure incurred for Corporate Social Responsibility (CSR) (Refer Note No 39) | 338.60 | 243.90 |
| Payment to Auditors - Note 25(a) below | 19.44 | 15.75 |
| Sundry Balances written off | 90.74 | 105.56 |
| Share of Loss from Benten Technologies LLP | 0.02 | 0.02 |
| Bad Debts | 95.75 | 513.81 |
| Total Other expenses | 48,926.05 | 44,739.74 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 25 (a) : - Details of Payment to Auditors

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|----------------------------------|-------------------------------|-------------------------------|
| Payment to Auditors | | |
| As Auditor : | | |
| Audit Fees | 12.50 | 10.00 |
| Tax Audit Fees | 6.00 | 5.00 |
| In other capacities : | | |
| Certification Fees | 0.90 | 0.70 |
| Out of Pocket expenses | 0.04 | 0.05 |
| Total Payment to Auditors | 19.44 | 15.75 |

Note 26 : Exceptional Items - Gain / (loss)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Gain on Sale of Plant & Equipment | - | 473.65 |
| Gain on Sale of Investments in Subsidiary | - | 721.70 |
| Total | - | 1,195.35 |

Note 27 : Tax Expenses

(a) Amounts recognised in profit or loss

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Tax expenses recognised in the statement of Profit and Loss of Continuing Operations | | |
| Current tax expense | | |
| Current year | 6,828.59 | 7,243.35 |
| Income Tax expenses of Earlier Years | (151.72) | - |
| Deferred tax expense | | |
| Origination and reversal of temporary differences | (544.90) | (194.75) |
| Total tax expenses of Continuing operations | 6,283.69 | 7,048.60 |
| Tax expenses recognised in the statement of Profit and Loss of Discontinued Operations | | |
| Current tax expense | | |
| Current year | (7.59) | (47.35) |
| Deferred tax expense | | |
| Origination and reversal of temporary differences | 133.43 | 43.38 |
| Total tax expenses of Discontinued Operations | 125.84 | (3.97) |
| Total tax expenses of Continuing & Discontinued Operations | 6,409.53 | 7,044.63 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

(b) Amounts recognised in other comprehensive income

| Particulars | 2022-2023 | | | 2021-2022 | | |
|---|--------------|-------------------------|--------------|-----------------|-------------------------|-----------------|
| | Before tax | Tax expense / (benefit) | Net of tax | Before tax | Tax expense / (benefit) | Net of tax |
| Items that will not be reclassified to profit & loss | | | | | | |
| Remeasurements of the defined benefit plans | 26.60 | 6.69 | 19.91 | (288.49) | (72.61) | (215.88) |
| | 26.60 | 6.69 | 19.91 | (288.49) | (72.61) | (215.88) |

(c) Reconciliation of effective tax rate

| Particulars | Year Ended | Year Ended |
|--|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Profit before tax from Continuing & Discontinued Operations | 25,275.56 | 29,218.05 |
| Applicable Tax Rate (Current year 25.168% and Previous Year 25.168%) | 6,361.35 | 7,353.60 |
| Tax effect of : | | |
| Tax effect of non deductible expenses / Allowable expenses on Payment Basis. | 20.70 | 66.58 |
| Excess of Depreciation over books under Income Tax Act | 263.33 | 80.94 |
| Deductions under Various sections of Income Tax Act | (12.11) | (38.84) |
| Effect of taxation of Capital Gains | (1,353.26) | (257.06) |
| Others | 1,129.52 | (160.59) |
| Taxation of Earlier Years | (151.72) | - |
| Tax expenses as per Statement of Profit & Loss (Continuing & Discontinued Operations) | 6,257.81 | 7,044.63 |
| Effective tax rate | 24.76% | 24.11% |

(d) Movement in deferred tax balances

| Particulars | 31/03/2023 | | | | |
|---|---|---|---|--------------------------|--|
| | As at 1st April 2022 Deferred Tax Asset / (Liabilities) | (Credit) / Charge in Statement of profit or loss of Continuing Operations | (Credit) / Charge in Statement of profit or loss of Discontinued Operations | (Credit) / Charge in OCI | As at 31st March 2023 Deferred Tax Asset / (Liabilities) |
| Deferred tax Asset/ (Liabilities) | | | | | |
| Depreciation | (372.11) | (9.41) | 133.43 | - | (496.13) |
| Expenses Allowed in the year of Payment | 600.76 | (0.20) | - | 6.69 | 594.27 |
| Investments | (1,031.97) | (542.00) | - | - | (489.97) |
| Others | (52.44) | 6.71 | - | - | (59.15) |
| Deferred Tax Assets/ (Liabilities) - Net | (855.76) | (544.90) | 133.43 | 6.69 | (450.98) |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Particulars | 31/03/2022 | | | | As at 31st March 2022 Deferred Tax Asset / (Liabilities) |
|--|--|---|---|--------------------------------|---|
| | As at 1st April 2021 Deferred Tax Asset / (Liabilities) | (Credit) / Charge in Statement of profit or loss of Continuing Operations | (Credit) / Charge in Statement of profit or loss of Discontinued Operations | (Credit) / Charge in OCI | |
| Deferred tax Asset/(Liabilities) | | | | | |
| Depreciation | (541.17) | (212.44) | 43.38 | - | (372.11) |
| Expenses Allowed in the year of Payment | 517.10 | (11.05) | - | (72.61) | 600.76 |
| Investments | (987.95) | 44.02 | - | - | (1,031.97) |
| Others | (67.71) | (15.28) | - | - | (52.44) |
| Deferred Tax Assets/(Liabilities) - Net | (1,079.73) | (194.75) | 43.38 | (72.61) | (855.76) |

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

Note 28 : Discontinued Operations -Power Division

The Company had Permanently Shut down its 15 MW Captive thermal Power Plant in F.Y 20-21 as operating the same was not found to be commercially feasible considering the High Operating Cost of generating the captive power & Withdrawal of Income Tax Benefits under new Income Tax regime and had Classified the operations as Discontinued operations

The Results of Power Division for the year are presented below :

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Revenue from Operations | - | - |
| Reversal of Impairment Loss Recognised in Earlier years | 500.00 | - |
| Other Income (Including Interest Income of ₹ NIL ; P.Y 3 Lakhs) | - | 37.78 |
| Total Income | 500.00 | 37.78 |
| Operating Expenses | - | 52.98 |
| Finance Cost (Including Interest Expenses of ₹ NIL ;P.Y ₹ .03 Lakhs) | - | 0.55 |
| Total Expenses | - | 53.53 |
| Profit / (Loss) before Tax | 500.00 | (15.75) |
| Tax expenses / (credit) | 125.84 | (3.97) |
| Profit / (Loss) after Tax | 374.16 | (11.78) |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 29 : Earnings per equity share (EPS)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| For Continuing Operations | | |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs) | 18,643.59 | 22,185.20 |
| Weighted Average No of shares Outstanding during the year | 24,066,216 | 24,461,687 |
| Earnings per Share -Basic & Diluted (Face Value of ₹ 10/- per Share)(in ₹) | 77.47 | 90.69 |
| For Discontinued Operations | | |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs) | 374.16 | (11.78) |
| Weighted Average No of shares Outstanding during the year | 24,066,216 | 24,461,687 |
| Earnings per Share -Basic & Diluted (Face Value of ₹ 10/- per Share)(in ₹) | 1.55 | (0.05) |
| For Continuing & Discontinued Operations | | |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs) | 19,017.75 | 22,173.42 |
| Weighted Average No of shares Outstanding during the year | 24,066,216 | 24,461,687 |
| Earnings per Share -Basic & Diluted (Face Value of ₹ 10/- per Share)(in ₹) | 79.02 | 90.64 |

Note 30 : Contingent Liabilities & Commitments (to the extent not Provided for)

Contingent Liabilities

| S. No | Contingent Liabilities not provided For | As at 31st March 2023 | As at 31st March 2022 |
|-------|--|--------------------------|--------------------------|
| I. | Stand by Letter of Credit (SBLC) aggregating to Euro 17,50,000 (P.Y Euro 17,50,000) and USD 14,50,000 (P.Y USD 14,50,000) given to Banks on behalf of Technocraft Trading Spolka Z.O.O, Poland. | 2,756.71 | 2,572.84 |
| II | Stand by Letter of Credit (SBLC) aggregating to USD 40,00,000 (P.Y USD 40,00,000) given to Banks on behalf of Anhui Reliable Steel Technology Co.Ltd,China. | 3,286.80 | 3,031.70 |
| III. | Corporate Guarantee aggregating to Pounds 25,00,000 (P.Y Pounds 25,00,000) given to Bank on behalf of Technocraft International Ltd, UK. | 2,541.19 | 2,486.37 |
| IV. | Corporate Guarantee aggregating to USD 20,00,000 (P.Y USD 12,00,000) given to Banks on behalf of Technosoft Engineering Inc. ,USA | 1,643.40 | 909.51 |
| V. | Corporate Guarantee aggregating to USD 1,50,00,000 (P.Y USD 1,50,00,000) given to Banks on behalf of AAIT/ Technocraft Scaffold Distribution LLC. | 12,325.50 | 11,368.88 |
| VI | Corporate Guarantee aggregating to USD 20,00,000 (P.Y NIL) given to Banks on behalf of Technocraft NZ Limited | 1,643.40 | - |
| VII. | Corporate Guarantee aggregating to ₹ 100,00,00,000 (P.Y NIL) given to Banks on behalf of Technocraft Textiles Limited | 10,000.00 | - |
| VIII. | Bank Guarantee issued in favour of Suppliers , Customers & Other Statutory Authorities | 3,922.34 | 3,250.40 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| S. No | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| S. Contingent Liabilities not provided For | | |
| IX. Excise Duty Matters | # 1642.37 | # 1603.64 |
| X. Service Tax Matters | # 243.53 | # 243.53 |
| XI. Goods & Service Tax Matters | 83.16 | - |
| XII. Income Tax Matters | 1,525.97 | 1,520.10 |
| XIII. Other Legal Matters | 2,871.29 | 2,871.29 |

includes Penal Amount also.

The above amount are net of the amount, if any deposited .

Commitments

| S. No | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| I. Estimated Amount of Capital Contracts remaining to be executed and not Provided for (net of capital advances) | 84.68 | 977.48 |

Note- 31 Assets Pledged as Security

The carrying amount of assets Pledged as security for current & non current borrowings (including credit Limits sanctioned but not utilised) & also for SBLC / Corporate & Trade Guarantees are as below :

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Non Current Assets | | |
| Property, Plant & Equipment | | |
| Free Hold Land | 291.88 | 291.88 |
| LeaseHold Land | 322.51 | 326.32 |
| Factory Building | 7,642.17 | 6,782.69 |
| Plant & Machinery | 9,865.11 | 10,559.52 |
| Capital Work in Progress | 3,152.34 | 589.19 |
| Other Financial Assets | | |
| Investments | 2,309.26 | - |
| Fixed Deposits with Banks | 2,747.97 | 189.20 |
| Total Non Current Assets Pledged as security | 26,331.24 | 18,738.80 |
| Current Assets | | |
| Inventories | 36,132.74 | 31,383.70 |
| Other Financial Assets | | |
| Trade Receivables | 60,682.07 | 49,385.55 |
| Fixed Deposits with Banks | 626.23 | 2,682.28 |
| Investments | 525.12 | - |
| Total Current Assets Pledged as security | 97,966.16 | 83,451.53 |
| Total Assets Pledged as Security | 124,297.40 | 102,190.33 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

Note 32 : Related Party disclosures

The related Parties as per the terms of Ind AS-24, "Related Party Disclosures". (Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules ,2015) are disclosed below

A. Name of the related Parties and description of relationship:

(i) Related Party where Control exists

Subsidiary Companies

1. Technocraft International Ltd
2. Technocraft Trading Spolka Z.O.O
3. Technocraft Speciality Yarns Limited (w.e.f 8th April 2022)
4. Technosoft Engineering Projects Ltd
5. Anhui Reliable Steel Technology Co. Ltd
6. Techno Defence Pvt. Ltd
7. Technocraft NZ Limited
8. Shivale Infra Products Private Limited
9. Technocraft Fashions Limited
10. Technocraft Textiles Limited
11. Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited)

Step Down Subsidiary Companies

1. Technosoft Engineering Inc.
2. Technosoft Innovations Inc.
3. Technosoft GMBH
4. AAIT/ Technocraft Scaffold Distribution LLC
5. High Mark International Trading -F.Z.E
6. Technosoft Services Inc.
7. Technosoft Engineering UK Limited

Joint Venture / Associate

1. Technocraft Tabla Formwork Systems Pvt. Ltd
2. Benten Technologies LLP

Name of other Related parties with whom transactions have taken place during the year

Key Managerial Personnel (KMP)

1. Shri Dr. Sharad Kumar Saraf
2. Shri Sudarshan Kumar Saraf
3. Shri Navneet Kumar Saraf
4. Shri Ashish Kumar Saraf
5. Shri Atanu Chaudhary
6. Shri Neeraj Rai (Company Secretary)



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Relatives of KMP

1. Priyanka Saraf
2. Renu Rai

Enterprises in which KMP / Relatives of KMP are Interested

1. BMS Industries Pvt Ltd
2. S.K.Saraf HUF
3. Ashrit Holdings Limited
4. M.D.Saraf Securities Pvt Ltd
5. Paithan Eco Foods Pvt Ltd
6. Nutricraft Products Pvt Ltd
7. Ashrey International Trading Pvt Ltd
8. Hochstein International Trading Pvt Ltd

Non Executive Directors

1. Shri Aubrey Ignatius Rebello
2. Shri Jagdeesh Mehta
3. Shri Vinod Agarwala
4. Shri Vishwambhar Saraf
5. Ms Vaishali Choudhari

Enterprise in which Non Executive Director is interested

1. Remi Edelstahl Tubular Ltd

Trust

1. Technocraft Industries (I) Ltd Employees Group Gratuity Trust
2. Shanti Seva Nidhi Trust

| Transactions during the Year | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| A. Sales of Goods, Materials , Assets & Services | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Technocraft International Ltd | 1,758.83 | 1,520.94 |
| 2. Technocraft Trading Spolka Z.O.O | 6,444.76 | 4,238.50 |
| 3. AAIT/ Technocraft Scaffold Distribution LLC | 42,016.89 | 16,989.15 |
| 4. Anhui Reliable Steel Technology Co Ltd | 906.82 | 967.27 |
| 5. Shivale Infra Products Pvt Ltd | 169.21 | 876.28 |
| 6. Technocraft Fashions Limited | 2,164.58 | 649.18 |
| 7. Technocraft NZ Limited | 1,489.21 | 1,128.49 |
| 8. Technosoft Engineering Inc. | 34.90 | 5.49 |
| 9. Technocraft Australia Pty Ltd | - | 824.69 |
| Enterprises in which KMP are Interested | | |
| 1. BMS Industries Pvt Ltd | 144.00 | 244.16 |
| Trust | | |
| Shanti Seva Nidhi Trust | 15.33 | - |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Transactions during the Year | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| B. Interest Received | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Anhui Reliable Steel Technology Co. Ltd | 5.97 | 31.66 |
| 2. Technocraft Fashions Ltd | 85.76 | 24.04 |
| 3. Technocraft NZ Limited | 52.83 | 26.38 |
| 4. Technocraft International Ltd | 154.01 | 26.30 |
| 5. Technocraft Textiles Limited | 17.06 | 16.65 |
| 6. Technocraft Speciality Yarns Ltd | 8.84 | - |
| 7. Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited) | 1.45 | - |
| 8. Technocraft Australia pty Ltd | - | 19.17 |
| C. Fees Received against Issue of Guarantee | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Technocraft International Ltd | 12.71 | 12.43 |
| 2. Technocraft Trading Spolka Z.O.O | 13.78 | 12.86 |
| 3. Anhui Reliable Steel Technology Co. Ltd | 16.43 | 15.16 |
| 4. AAIT/ Technocraft Scaffold Distribution LLC | 61.63 | 55.44 |
| 5. Technosoft Engineering Inc. | 4.52 | 4.55 |
| 6. Technocraft NZ Limited | 7.54 | - |
| 7. Technocraft Textiles Limited | 50.00 | - |
| D. Rent Received | | |
| Relatives of KMP | | |
| 1. Priyanka Saraf | 12.00 | 12.00 |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Technosoft Engineering Projects Ltd | 2.00 | 2.00 |
| 2. Techno Defence Pvt. Ltd | 0.01 | 0.01 |
| 3. Technocraft Fashions Limited | 10.44 | 10.44 |
| Enterprises in which KMP are Interested | | |
| 1. BMS Industries Pvt Ltd | 2.00 | 2.00 |
| 2. M.D. Saraf Securities Pvt Ltd | 0.01 | 0.01 |
| 3. Ashrit Holdings Limited | 0.01 | 0.01 |
| 4. Paithan Eco Foods Pvt Ltd | 0.01 | 0.01 |
| E. Advancement of Loan | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Technocraft Fashions Limited | 2,180.55 | 730.14 |
| 2. Technocraft Textiles Limited | 424.27 | 716.89 |
| 3. Technocraft Speciality Yarns Limited | 119.90 | - |
| 4. Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited) | 125.83 | - |
| 5. Technocraft NZ Limited | - | 372.20 # |
| 6. Technocraft International Limited | - | 2,240.40 # |
| # excluding year end Forex Effect in case of Advancement of Loans to Foreign Subsidiary | | |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Transactions during the Year | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| F. Recovery of Loan | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Anhui Reliable Steel Technology Co. Ltd | 303.21 # | 307.06# |
| 2. Technocraft International Ltd | 1,420.73# | 108.29 # |
| 3. Technocraft Fashions Limited | 1,525.00 | 155.12 |
| 4. Technocraft Textiles Limited | 948.00 | - |
| 5. Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited) | 0.15 | - |
| 6. Technocraft Australia Pty Ltd | - | 278.51 |
| # Excluding year end Forex Effect in case of Recovery of Loans from Foreign Subsidiary | | |
| G. Engineering & Design Charges Paid | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Technosoft Engineering Projects Ltd | 141.59 | 159.29 |
| H. Commission Paid on Sales | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. Technocraft Trading Spolka Z.O.O | 67.66 | 68.00 |
| Enterprise in which Non Executive Director is Interested | | |
| 1. Remi Edelstahl Tubular Ltd | 56.49 | 53.94 |
| I. Sales Support Charges | | |
| 1. Technosoft Engineering Inc. | 3.08 | 36.38 |
| 2. AAIT/ Technocraft Scaffold Distribution LLC | 42.30 | - |
| J. Sitting Fees | | |
| Non Executive Directors | | |
| 1. Director Sitting Fees | 3.90 | 4.70 |
| K. Warehousing Charges Paid | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. AAIT/ Technocraft Scaffold Distribution LLC | 66.50 | 61.88 |
| L. Purchase of Materials / Assets / Stores & Spares / Traded Goods | | |
| Subsidiaries / Step down Subsidiaries | | |
| 1. High Mark International Trading -F.Z.E | 36.29 | 162.27 |
| 2. Anhui Reliable Steel Technology Co. Ltd | 794.42 | 642.83 |
| 3. Techno Defence Pvt Ltd | 22.36 | 263.69 |
| 4. Technocraft Fashions Limited | 96.39 | 3.74 |
| 5. Technocraft Trading Spolka Z.O.O | 10.00 | 10.79 |
| 6. Technosoft Engineering Projects Limited | 13.14 | - |
| Enterprises in which KMP are Interested | | |
| 1. BMS Industries Pvt. Ltd | 444.76 | 855.15 |
| M. Job Work Charges Paid | | |
| Enterprises in which KMP are Interested | | |
| 1. BMS Industries Pvt. Ltd | 6,170.98 | 5,535.15 |
| 2. Technocraft Fashions Limited | 145.96 | 293.09 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Transactions during the Year | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|----------------------------------|----------------------------------|
| N. Rent Paid | | |
| Enterprises in which KMP are Interested | | |
| 1.S.K.Saraf HUF | 24.00 | 24.00 |
| Subsidiaries / Step down Subsidiaries | | |
| 1.Technosoft Engineering Projects Ltd | 20.34 | 20.34 |
| O. Professional fees Paid | | |
| Enterprises in which Relative of KPM are Interested | | |
| 1.Brand You Digital | - | 0.25 |
| Relatives of KMP | | |
| 1.Renu Rai | 5.12 | 4.78 |
| P. Managerial Remuneration | | |
| Key Managerial Personnel | | |
| Salaries ,Wages ,Bonus , Commission & Other Benefits | * 614.77 | * 612.63 |
| Contribution towards P.F.,Family Pension etc | 0.91 | 0.82 |
| Q. Investment in equity shares / Preference Shares | | |
| Subsidiaries / Step down Subsidiaries / Associate | | |
| 1.Technocraft Textiles Limited | 948.00 | 2.00 |
| 2.Technocraft Speciality Yarns Limited | 1.00 | - |
| 3.Technocraft Fashions Limited | - | 95.00 |
| 4.Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited) | - | 1.00 |
| R. Trusts | | |
| Technocraft Industries (i) Ltd Employees Group Gratuity Trust | | |
| Gratuity Contribution | 250.75 | 250.00 |
| Gratuity Benefits Received | 335.33 | 84.09 |
| Amount due to / From Related Parties | As at 31st March 2023 | As at 31st March 2022 |
| A. Trade & Other Receivables | | |
| Subsidiaries / Step Down Subsidiaries | | |
| 1.Technocraft International Ltd | 298.18 | 348.03 |
| 2.Technocraft Trading Spolka Z.O.O | 6,252.51 | 3,268.48 |
| 3.AAIT/ Technocraft Scaffold Distribution LLC | 29,601.50 | 10,554.09 |
| 4.Anhui Reliable Steel Technology Co. Ltd | 1,007.20 | 740.42 |
| 5.Technosoft Engineering Inc. | 25.95 | 10.74 |
| 6.Technocraft NZ Limited | 1,068.74 | 1,457.33 |
| 7.Technocraft Fashions Limited | 658.42 | 151.78 |
| 8.Shivale Infra Products Pvt Ltd | 500.40 | 1,083.64 |
| 9.Technocraft Textiles Limited | 56.50 | - |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt. Ltd | - | 261.17 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Amount due to / From Related Parties | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Advancement of Loan | | |
| Subsidiaries / Step Down Subsidiaries | | |
| 1. Technocraft NZ Limited | 539.57 | 510.37 |
| 2. Technocraft Fashions Limited | 1,263.79 | 608.24 |
| 3. Technocraft International Limited | 805.67 | 2,163.88 |
| 4. Technocraft Textiles Limited | 193.16 | 716.89 |
| 5. Technocraft Speciality Yarns Ltd | 119.90 | - |
| 6. Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited) | 125.68 | - |
| 7. Anhui Reliable Steel Technology Co. Ltd | | 303.21 |
| B. Trade & Other Payables | | |
| Subsidiaries / Step Down Subsidiaries | | |
| 1. Technocraft Trading Spolka Z.O.O | 84.62 | 76.41 |
| 2. Anhui Reliable Steel Technology Co. Ltd | 932.99 | 605.63 |
| 3. HighMark International Trading FZE | 38.65 | - |
| 4. Techno Defence Private Limited | - | 94.39 |
| 5. Technocraft Formwork Private Limited (Erstwhile Technomatic Packaging Private Limited) | - | 0.94 |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt. Ltd | 2,593.61 | 2,414.45 |
| Enterprise in which Non Executive Director is Interested | | |
| Remi Edelstahl Tubular Ltd | 14.49 | 11.34 |
| Commission & other Amount Payable | | |
| Key Managerial Personnel | 230.78 | 230.78 |
| Guarantees Issued to Bank | | |
| Subsidiaries / Step Down Subsidiaries | 34,197.00 | 20,369.30 |
| Gratuity Contribution & Administration Charges Payable | | |
| Trust | | |
| Technocraft Industries (I) Ltd Employees Group Gratuity Trust | 1,933.67 | 1,919.58 |

Note

- The transactions with related parties are made on terms equivalent to those that are Prevailing in arm's Length transactions.
Outstanding balances at the year end are unsecured .The Company has not recorded any impairment of receivables relating to amounts owned by the related Parties .This assessment is undertaken each Financial year through examining the Financial Position of the related party and the market in which the related Party operates.
 - Loan given to subsidiaries have been utilised for the Purposes for which Loan have been advanced by the Parent Company.
 - Guarantee Provided to the Lenders of the Subsidiaries are for availing working capital Facilities from the lender banks.
- * excludes Provision for Gratuity & Compensated leave for Key Managerial Personnel as Separate Actuarial Valuation is not available



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 33 : Disclosure Pursuant to Ind AS - 19 “Employee Benefits”

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

The Company contributes a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme.

| Amount recognised in the Statement of Profit and Loss | 2022-23 | 2021-22 |
|---|----------|----------|
| Defined Contribution Scheme | # 428.63 | # 415.04 |

excluding ₹ NIL Lakhs (P.Y ₹ 0.01 Lakhs) Contributed by Government of India under PMRPY Scheme

Defined Benefit Plans

The Company has the following Defined Benefit Plans

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

| Particulars | Defined Benefit Plans | |
|---|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Present value of funded obligations | 2,354.76 | 2,424.31 |
| Fair Value of plan assets | 425.49 | 509.13 |
| Net (Asset)/Liability recognised | 1,929.27 | 1,915.18 |

Movements in plan assets and plan liabilities

| Particulars | Present value of obligations | Fair Value of Plan Assets |
|--|---------------------------------|------------------------------|
| As at 1st April 2022 | 2,424.31 | 509.13 |
| Current service cost | 165.94 | - |
| Interest Income | - | 15.53 |
| Interest Cost | 141.03 | - |
| Return on plan assets excluding amounts included in net finance income | - | (14.59) |
| Actuarial (gain)/loss arising from changes in financial assumptions | (95.27) | - |
| Contributions by Employer | - | 250.75 |
| Actuarial (gain)/loss arising from experience adjustments | 54.08 | - |
| Benefit payments | (335.33) | (335.33) |
| As at 31st March 2023 | 2,354.76 | 425.49 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Present value of obligations | Fair Value of Plan Assets |
|--|------------------------------|---------------------------|
| As at 1st April 2021 | 1,946.44 | 318.82 |
| Current service cost | 147.29 | - |
| Interest Income | - | 9.40 |
| Interest Cost | 111.18 | - |
| Return on plan assets excluding amounts included in net finance income | - | 15.00 |
| Actuarial (gain)/loss arising from changes in financial assumptions | (51.07) | - |
| Contributions by Employer | - | 250.00 |
| Actuarial (gain)/loss arising from experience adjustments | 354.56 | - |
| Benefit payments | (84.09) | (84.09) |
| As at 31st March 2022 | 2,424.31 | 509.13 |

Statement of Profit and Loss

| Employee benefit expenses : | 2022-2023 | 2021-22 |
|---|----------------|---------------|
| Current Service cost | 165.94 | 147.29 |
| Net Interest cost | 125.50 | 101.78 |
| Total amount recognised in Statement of P&L | 291.44 | 249.07 |
| Remeasurement of the net defined benefit liability : | | |
| Return on plan assets excluding amounts included in Interest Income | 14.59 | (15.00) |
| Change in Financial Assumptions | (95.27) | (51.07) |
| Experience Adjustments | 54.08 | 354.56 |
| Total Expenses / (Income) recognised in Other Comprehensive Income | (26.60) | 288.49 |

Investment pattern for Fund as on

| Category of Asset | As at 31st March 2023 | As at 31st March 2022 |
|-----------------------------------|-----------------------|-----------------------|
| Government of India Securities | 0% | 0% |
| State Government Securities | 0% | 0% |
| High quality corporate bonds | 0% | 0% |
| Equity shares of listed companies | 0% | 0% |
| Property | 0% | 0% |
| Special Deposit Scheme | 0% | 0% |
| Policy of insurance | 100% | 100% |
| Bank Balance | 0% | 0% |
| Other Investments | 0% | 0% |
| Total | 100% | 100% |

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, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

The significant actuarial assumptions were as follows:

| Financial Assumptions | As at 31st March 2023 | As at 31st March 2022 |
|------------------------|---|---|
| Discount rate | 7.4% p.a | 6.85% p.a |
| Salary escalation rate | 5% p.a | 5% p.a |
| Withdrawal Rates | 2% at younger ages reducing to 1% at older ages | 2% at younger ages reducing to 1% at older ages |

Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2006-08) Table

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

| Particulars | As at 31st March 2023 Increase/ Decrease in liability | As at 31st March 2023 Increase/ Decrease in liability |
|--|---|---|
| Discount rate varied by 0.5% | | |
| 0.50% | 2,274.27 | 2,343.91 |
| -0.50% | 2,441.06 | 2,510.68 |
| Salary growth rate varied by 0.5% | | |
| 0.50% | 2,442.14 | 2,511.32 |
| -0.50% | 2,272.64 | 2,342.66 |

The sensitivity analysis 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 period.

The expected future cash flows as at 31st March 2023 & as at 31st March 2022 were as follows:

| Expected contribution | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | 574.20 | 730.64 |
| 2nd following year | 128.56 | 108.88 |
| 3rd following year | 113.59 | 124.35 |
| 4th following year | 264.56 | 111.89 |
| 5th following year | 164.30 | 237.66 |
| Years 6 to 10 | 948.89 | 860.20 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

[B] Other Long term employee benefits

Leave Encashment:

The Employees are entitled to accumulate Earned Leave, which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

| Particulars | Defined Benefit Plans | |
|---|--------------------------|--------------------------|
| | As at 31st March 2023 | As at 31st March 2022 |
| Present value of unfunded obligations | 458.53 | 471.83 |
| Net (Asset) / Liability recognised | 458.53 | 471.83 |

Reconciliation of balances of Defined Benefit Obligations.

| | Leave Encashment - Unfunded | |
|--|-----------------------------|---------------|
| | 2022-2023 | 2021-2022 |
| Defined Obligations at the beginning of the year | 471.83 | 426.99 |
| Current Service Cost | 43.49 | 41.59 |
| Interest Cost | 30.22 | 25.27 |
| Actuarial loss/(gain) due to change in financial assumptions | (25.05) | (13.61) |
| Actuarial loss/ (gain) due to experience adjustments | (15.43) | 24.31 |
| Benefits paid | (46.53) | (32.72) |
| Defined Obligations at the end of the year | 458.53 | 471.83 |

Amount recognised in Statement of Profit and Loss

| | 2022-2023 | 2021-2022 |
|---|----------------|--------------|
| Current Service Cost | 43.49 | 41.59 |
| Net Interest Cost | 30.22 | 25.27 |
| Net value of remeasurements on the obligation and plan assets | (40.48) | 10.70 |
| Total amount recognised in Statement of P&L | 33.23 | 77.56 |
| Change in Financial Assumptions | (25.05) | (13.61) |
| Experience gains/(losses) | (15.43) | 24.31 |
| Net Actuarial Loss/(Gain) | (40.48) | 10.70 |

Major Actuarial Assumptions

| Financial Assumptions | 2022-2023 | 2021-2022 |
|----------------------------------|---|---|
| Discount Rate (%) | 7.40% p.a | 6.85% p.a |
| Salary Escalation/ Inflation (%) | 5% p.a | 5% p.a |
| Withdrawal Rates | 2% at younger ages reducing to 1% at older ages | 2% at younger ages reducing to 1% at older ages |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2006-08) Table

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------------------|---------------------------------------|
| | Increase/ Decrease in liability | Increase/ Decrease in liability |
| Discount rate varied by 0.5% | | |
| 0.50% | 437.70 | 450.64 |
| -0.50% | 481.20 | 494.91 |
| Salary growth rate varied by 0.5% | | |
| 0.50% | 481.63 | 495.22 |
| -0.50% | 437.15 | 450.19 |

The sensitivity analysis 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 period.

The expected future cash flows as at 31st March 2023 & as at 31st March 2022 were as follows:

| Expected contribution | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | 67.43 | 84.18 |
| 2nd following year | 28.37 | 24.91 |
| 3rd following year | 22.54 | 20.54 |
| 4th following year | 47.76 | 22.09 |
| 5th following year | 37.71 | 49.42 |
| Years 6 to 10 | 164.29 | 167.12 |

Note 34 : Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the management approach as defined in Ind AS 108, the chief operating decision maker (CODM) evaluates the companies performance and allocates resources based on an analysis of various performance indicators by business segment and geographic segment. Accordingly, information has been presented both along business segment and geographic segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

The Company has identified Drum Closures, Scaffoldings, Yarn & Fabric as primary business segments of the Company (Continuing Operations) and has classified Power Division as Discontinued Operations

The above business segments have been identified considering :

- i) The nature of the product
- ii) The deferring risk and returns
- iii) The internal financial reporting systems

The Geographical Segments considered for Disclosure are as Follows

- a) Revenue within India includes Revenue from Sales of Products (including Scrap) & Services to Customers Located within India and earnings in India.
- b) Revenue outside India includes Revenue from Sales of Products & Services to Customers Located outside India and earnings outside India and export Incentive benefits.

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Particular segments on a reasonable basis, have been included under "Unallocable". Inter segment transfer, are accounted for at competitive market prices, charged to unaffiliated customer for similar goods.

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Segment Revenue | | |
| a. Drum Closures Division | 47,196.99 | 52,270.62 |
| b. Scaffoldings Division | 94,388.23 | 63,288.42 |
| c. Yarn Division | 33,412.89 | 40,108.33 |
| d. Fabric Division | 17,365.57 | 25,982.15 |
| Total | 192,363.68 | 181,649.52 |
| Less : Inter Segment Revenue | 9,854.66 | 14,959.43 |
| Total External Revenue from Continuing operations | 182,509.02 | 166,690.09 |
| Discontinued Operations | | |
| Power Division | - | - |
| Less : Inter Segment Revenue | - | - |
| Total External Revenue from Discontinued Operations | - | - |
| Total External Revenue from Continuing & Discontinued Operations | 182,509.02 | 166,690.09 |
| Results | | |
| Segment Result | | |
| a. Drum Closures Division | 15,127.43 | 18,794.53 |
| b. Scaffoldings Division | 14,688.42 | 5,020.38 |
| c. Yarn Division | (1,777.97) | 4,861.20 |
| d. Fabric Division | (1,400.82) | (264.49) |
| Segment operating Profit of Continuing Operations | 26,637.06 | 28,411.62 |
| Reconciliation of Profit | | |
| Unallocable Income / (Expenses) | | |
| Employee benefit Expenses | (924.44) | (877.33) |
| Depreciation & Amortisation | (65.33) | (66.45) |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|----------------------------------|----------------------------------|
| Other Expenses | (1,305.56) | (721.89) |
| Interest Income | 464.66 | 259.85 |
| Net Gain on Investments & Investment Property | 1,590.25 | 2,419.08 |
| Rental Income | 113.40 | 101.09 |
| Other Income | 517.48 | 175.40 |
| Operating Profit | 27,027.52 | 29,701.37 |
| Less | | |
| Finance Cost | 2,251.96 | 1,662.92 |
| Net Profit before Tax & Exceptional Items from Continuing Operations | 24,775.56 | 28,038.45 |
| Exceptional Items (Refer Note No 26) | - | 1,195.35 |
| Net Profit before Tax but After Exceptional Items From Continuing Operations | 24,775.56 | 29,233.80 |
| Less | | |
| Current Income Tax Expenses | 6,828.59 | 7,243.35 |
| Deferred Tax Expenses (net) | (544.90) | (194.75) |
| Tax Adjustment of Earlier Years | (151.72) | - |
| Net Profit After Tax from Continuing Operations | 18,643.59 | 22,185.20 |
| Net Profit After Tax from Discontinued Operations -Power Division | 374.16 | (11.78) |
| Net Profit After Tax from Continuing & Discontinued Operations | 19,017.75 | 22,173.42 |
| | As at 31st March 2023 | As at 31st March 2022 |
| Segment Assets of Continuing Operations | | |
| a. Drum Closures Division | 24,292.97 | 24,362.62 |
| b. Scaffoldings Division | 85,044.88 | 55,762.42 |
| c. Yarn Division | 29,552.25 | 30,264.80 |
| d. Fabric Division | 11,344.36 | 13,058.95 |
| Segment Operating Assets | 150,234.46 | 123,448.79 |
| Reconciliation of Segment Operating assets to Total Assets | | |
| Non Current Assets | | |
| Property ,Plant & Equipment | 1,858.88 | 240.29 |
| Capital Work in Progress | 78.90 | 743.54 |
| Investment Properties | 762.68 | 804.84 |
| Intangible Assets | 4.69 | 1.92 |
| Non Current Investments | 29,519.46 | 23,971.55 |
| Loans | 438.74 | - |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Other Financial Assets | 2,731.33 | 1.33 |
| Other Non Current Assets | 215.37 | 193.47 |
| Current Assets | | |
| Current Investments | 629.94 | 15,016.70 |
| Cash & Cash Equivalent | 2,126.46 | 3,108.10 |
| Other Bank Balances | 53.41 | 2,645.91 |
| Loans | 2,609.03 | 4,302.58 |
| Other Financial Assets | 1,001.60 | 1,118.82 |
| Other Current Assets | 855.32 | 718.37 |
| Unallocable Assets | 42,885.81 | 52,867.42 |
| Total Assets of Continuing Operations | 193,120.27 | 176,316.21 |
| Total Assets of Discontinued Operations -Power Division | 481.73 | 910.26 |
| Total Assets | 193,602.00 | 177,226.47 |
| Segment Liabilities of Continuing Operations | | |
| a. Drum Closures Division | 5,575.07 | 6,608.38 |
| b. Scaffoldings Division | 9,926.05 | 7,603.47 |
| c. Yarn Division | 3,005.59 | 3,336.97 |
| d. Fabric Division | 1,589.27 | 1,683.20 |
| Segment Operating Liabilities | 20,095.98 | 19,232.02 |
| Reconciliation of Segment Operating Liabilities to Total Liabilities | | |
| Non Current Liabilities | | |
| Non Current Borrowings | 2,953.38 | 4,773.45 |
| Other Financial Liabilities | 23.82 | 23.94 |
| Deferred Tax Liability (net) | 450.98 | 855.76 |
| Provisions | 1,760.90 | 1,749.24 |
| Current Liabilities | | |
| Current Borrowings | 48,929.11 | 31,796.39 |
| Other Financial Liabilities | 721.87 | 426.02 |
| Provisions | 168.37 | 165.94 |
| Current Tax Liabilities (net) | 525.60 | 850.57 |
| Other Current Liabilities | 24.85 | 16.19 |
| Unallocable Liabilities | 55,558.88 | 40,657.50 |
| Total Liabilities of Continuing Operations | 75,654.86 | 59,889.52 |
| Total Liabilities of Discontinued Operations-Power Division | 59.14 | 125.67 |
| Total Liabilities | 75,714.00 | 60,015.19 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Capital Expenditure (excluding CWIP) | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| a. Drum Closures Division | 779.38 | 404.48 |
| b. Scaffoldings Division | 2,308.81 | 1,832.45 |
| c. Yarn Division | 347.38 | 1,892.41 |
| d. Fabric Division | 1,222.41 | 388.34 |
| e. Unallocable | 1,651.45 | 18.60 |
| Total Capital Expenditure of Continuing Operations | 6,309.43 | 4,536.28 |
| Total Capital Expenditure of Discontinued Operations -Power Division | - | - |
| Total | 6,309.43 | 4,536.28 |
| Depreciation & Amortization | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
| Continuing Operations | | |
| a. Drum Closures Division | 602.52 | 593.5 |
| b. Scaffoldings Division | 1,097.59 | 859.43 |
| c. Yarn Division | 2,514.90 | 2750.92 |
| d. Fabric Division | 1,079.17 | 1255.82 |
| e. Unallocable | 65.33 | 66.45 |
| Total Depreciation & Amortisation of Continuing Operations | 5,359.51 | 5,526.12 |
| Total Depreciation & Amortisation of Discontinued Operations -Power Division | - | - |
| Total | 5,359.51 | 5,526.12 |
| Secondary Segment | | |
| Geographic Information | | |
| Revenue from External Customers | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
| Continuing Operations | | |
| India | 70,106.88 | 62,306.05 |
| Outside India | 112,402.14 | 104,384.04 |
| Total External Revenue from Continuing Operations | 182,509.02 | 166,690.09 |
| Discontinued Operations -Power Division | | |
| India | - | - |
| Outside India | - | - |
| Total External Revenue from Discontinued Operations | - | - |
| Total External Revenue from Continuing & Discontinued Operations | 182,509.02 | 166,690.09 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Non Current Operating Assets | As at 31st March 2023 | As at 31st March 2022 |
|--------------------------------|--------------------------|--------------------------|
| Continuing Operations | | |
| India | 38,204.33 | 35,190.91 |
| Outside India | - | - |
| Total (I) | 38,204.33 | 35,190.91 |
| Discontinued Operations | | |
| India | - | - |
| Outside India | - | - |
| Total (II) | - | - |
| Total (I+II) | 38,204.33 | 35,190.91 |

Non Current Assets for this purpose consists of Property , Plant and Equipment , Investment properties , Intangible assets and Capital work in Progress

Note 35: Fair Value Measurements

A. Financial instruments by category and fair value hierarchy :

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

| 31st March 2023 | Carrying Value | | | Total | Fair value | | | Total |
|--|----------------------|-----------------------------|------------------|-------------------|------------------|----------|----------|------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | | Level 1 | Level 2 | Level 3 | |
| Financial assets measured at fair value through Profit and loss : | | | | | | | | |
| Non-current : | | | | | | | | |
| Investment In Mutual Funds | 25,667.57 | - | - | 25,667.57 | 25,667.57 | - | - | 25,667.57 |
| Current : | | | | | | | | |
| Investment In Mutual Funds | 525.12 | - | - | 525.12 | 525.12 | - | - | 525.12 |
| Investment in Quoted Equity Instruments | 104.82 | - | - | 104.82 | 104.82 | - | - | 104.82 |
| Financial assets at amortised cost | | | | | | | | |
| Non-current : | | | | | | | | |
| Loan to Subsidiaries | - | - | 438.74 | 438.74 | - | - | - | - |
| Deposits | - | - | 3,113.68 | 3,113.68 | - | - | - | - |
| Current : | | | | | | | | |
| Deposits | - | - | 163.56 | 163.56 | - | - | - | - |
| Loan to Subsidiaries | - | - | 2,609.03 | 2,609.03 | - | - | - | - |
| Loan to Employees | - | - | 112.00 | 112.00 | - | - | - | - |
| Cash and cash equivalents | - | - | 12,277.63 | 12,277.63 | - | - | - | - |
| Other Bank Balances | - | - | 628.63 | 628.63 | - | - | - | - |
| Trade receivables | - | - | 60,682.07 | 60,682.07 | - | - | - | - |
| Others | - | - | 1,623.62 | 1,623.62 | - | - | - | - |
| | 26,297.51 | - | 81,648.96 | 107,946.47 | 26,297.51 | - | - | 26,297.51 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| 31st March 2023 | Carrying Value | | | Total | Fair value | | | |
|--|----------------------|-----------------------------|------------------|------------------|------------|---------|---------|-------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | | Level 1 | Level 2 | Level 3 | Total |
| Financial liabilities at amortised cost | | | | | | | | |
| Non Current | | | | | | | | |
| Term loans | - | - | 2,953.38 | 2,953.38 | - | - | - | - |
| Deposits | - | - | 23.82 | 23.82 | - | - | - | - |
| Current | | | | | | | | |
| Borrowings | - | - | 48,929.11 | 48,929.11 | - | - | - | - |
| Trade and Other Payables | - | - | 15,215.41 | 15,215.41 | - | - | - | - |
| Deposits | - | - | 275.78 | 275.78 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 1,797.75 | 1,797.75 | - | - | - | - |
| | - | - | 69,195.25 | 69,195.25 | - | - | - | - |

| 31st March 2022 | Carrying amount | | | Total | Fair value | | | |
|--|----------------------|-----------------------------|------------------|-------------------|------------------|---------|---------|------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value through Profit and loss : | | | | | | | | |
| Non-current : | | | | | | | | |
| Investment In Mutual Funds | 21,068.65 | - | - | 21,068.65 | 21,068.65 | - | - | 21,068.65 |
| Current : | | | | | | | | |
| Investment In Mutual Funds | 14,893.52 | - | - | 14,893.52 | 14,893.52 | - | - | 14,893.52 |
| Investment in Quoted Equity Instruments | 123.18 | - | - | 123.18 | 123.18 | - | - | 123.18 |
| Financial assets at amortised cost | | | | | | | | |
| Non-current : | | | | | | | | |
| Deposits | - | - | 554.43 | 554.43 | - | - | - | - |
| Current : | | | | | | | | |
| Deposits | - | - | 153.40 | 153.40 | - | - | - | - |
| Loan to Subsidiaries | - | - | 4,302.59 | 4,302.59 | - | - | - | - |
| Loan to Employees | - | - | 66.99 | 66.99 | - | - | - | - |
| Cash and cash equivalents | - | - | 5,288.35 | 5,288.35 | - | - | - | - |
| Other Bank Balances | - | - | 2,687.19 | 2,687.19 | - | - | - | - |
| Trade receivables | - | - | 49,385.55 | 49,385.55 | - | - | - | - |
| Others | - | - | 1,806.36 | 1,806.36 | - | - | - | - |
| | 36,085.35 | - | 64,244.86 | 100,330.21 | 36,085.35 | - | - | 36,085.35 |
| Financial liabilities at amortised cost | | | | | | | | |
| Non Current | | | | | | | | |
| Term loans | - | - | 4,773.45 | 4,773.45 | - | - | - | - |
| Deposits | - | - | 23.94 | 23.94 | - | - | - | - |
| Current | | | | | | | | |
| Borrowings | - | - | 31,796.39 | 31,796.39 | - | - | - | - |
| Trade and Other Payables | - | - | 14,820.91 | 14,820.91 | - | - | - | - |
| Deposits | - | - | 225.04 | 225.04 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 1,636.91 | 1,636.91 | - | - | - | - |
| | - | - | 53,276.64 | 53,276.64 | - | - | - | - |

During the reporting period ended March 31, 2023 and March 31, 2022, there were no transfers between level 1 and level 2 fair value measurements.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

B. Measurement of fair values

The following methods and assumptions were used to estimate the fair values of financial instruments :

- i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- ii) The fair values of the equity / Mutual Fund investments which are quoted, are derived from quoted market prices in active markets.

Note 36 : Financial Risk Management

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of all the risk on its financial performance. The Board of Directors and the Audit Committee are responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Market risk ; and
- Liquidity risk

1. Credit Risk

The 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 customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set and periodically reviewed on the basis of such Information.

Financial assets 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 trade receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where trade receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as Income in the statement of profit or loss.

The Company measures loss rate for trade receivables from Individual customers based on the historical trend, industry practices and the business environment in which the entity operates .Loss rates are based on Past Trends . Based on the historical data, no probable loss on collection of receivable is anticipated & hence no provision is considered.

In case of Credit risks from balances with banks and financial institutions , the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Company's maximum exposure in this respect is the maximum amount that the Company would have to pay if the guarantee is called upon. The maximum exposure relating to financial guarantees instruments is disclosed in note no 30 (contingent liabilities).



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Ageing of Account receivables

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--------------------|--------------------------|--------------------------|
| Not due | 29,122.91 | 32,062.75 |
| Less than 6 Months | 26,174.10 | 16,031.10 |
| 6 Months -1 year | 5,285.36 | 1,114.59 |
| 1-2 years | 81.39 | 177.11 |
| 2-3 years | 18.31 | - |
| More than 3 years | - | - |
| Total | 60,682.07 | 49,385.55 |

2. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly of currency risk and interest rate risk. Financial Instrument affected by Market risks includes loans and borrowings and foreign Currency Receivables and payables. The Company has set processes and policies to assess, control and monitor the effect of the risk on the financial performance of the company.

i) Currency Risk

This is the risk that the Company may suffer losses as a result of adverse exchange rate movement during the relevant period. The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The senior management personnel are responsible for identifying the most effective and efficient ways of managing by entering into forward contracts and monitored by board of directors.

Unhedged Foreign Currency exposures

(a) Particulars of Unhedged Foreign Currency exposures as at the reporting date

As as 31st March 2023

Foreign Currency in Lakhs

| Particulars | USD | EURO | SGD | GBP | AUD | JPY | CHF | AED | NZD |
|--|---------------|--------------|---------------|-------------|---------------|-------------|-------------|---------------|-------------|
| Trade Payables / Other Financial Liabilities | (14.14) | (2.16) | - | - | (7.79) | - | - | - | - |
| Trade Receivables / Other Financial Assets | 483.64 | 84.82 | - | 2.41 | - | 12.73 | 0.03 | - | 0.22 |
| Advances from Customers | (5.36) | (0.39) | (0.08) | - | - | (7.13) | - | (5.77) | - |
| Loans Given to Subsidiaries | 14.81 | - | - | - | - | - | - | - | 2.50 |
| Bank Loan Taken | - | - | - | - | - | - | - | - | - |
| Bank Balances | 50.09 | 2.03 | - | - | - | - | - | - | - |
| Net | 529.04 | 84.30 | (0.08) | 2.41 | (7.79) | 5.60 | 0.03 | (5.77) | 2.72 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

As as 31st March 2022

Foreign Currency in Lakhs

| Particulars | USD | EURO | SGD | GBP | AUD | JPY | CHF | AED | NZD |
|--|---------------|--------------|----------|-------------|---------------|---------------|----------|----------|-------------|
| Trade Payables / Other Financial Liabilities | (8.24) | (2.57) | - | - | (7.78) | - | - | - | - |
| Trade Receivables / Other Financial Assets | 199.51 | 83.81 | - | 1.81 | - | - | - | - | 4.69 |
| Advances from Customers | (5.57) | (0.52) | - | - | - | (2.35) | - | - | - |
| Loans Given to Subsidiaries | 37.55 | - | - | - | - | - | - | - | 2.50 |
| Bank Loan Taken | (62.00) | - | - | - | - | - | - | - | - |
| Bank Balances | 17.25 | 0.05 | - | - | - | - | - | - | - |
| Net | 178.50 | 80.77 | - | 1.81 | (7.78) | (2.35) | - | - | 7.19 |

b) Foreign Currency Risk Sensitivity

A reasonably possible strengthening / (weakening) of the Indian Rupee against various below currencies at 31st March would have affected the measurement of financial instruments denominated in those currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases

A change in 1% in Foreign Currency would have following Impact on Profit before tax assuming that all other variables , in Particular interest rate remain constant & ignoring any impact of forecast Sales & Purchases.

| Particulars | 2022-2023 | | 2021-2022 | |
|--|---------------|-----------------|---------------|-----------------|
| | 1% increase | 1% Decrease | 1% increase | 1% Decrease |
| USD | 434.71 | (434.71) | 135.29 | (135.29) |
| EURO | 75.40 | (75.40) | 68.02 | (68.02) |
| GBP | 2.40 | (2.40) | 1.60 | (1.80) |
| Ohers | (4.16) | 4.16 | (0.65) | 0.65 |
| Increase / (Decrease) in Profit or Loss | 508.34 | (508.34) | 204.26 | (204.46) |

ii) 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. The Company has exposure to Interest rate risk, arising principally on changes in base lending rate/ LIBOR rates. As the Percentage of Borrowings with Floating Interest rate is very small as Compared to Total Borrowings & hence the interest rate risk for the Company as whole is very Low.

Exposure to interest rate risk

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------|-----------------------|
| *Borrowings Bearing Variable rate of Interest | 4,811.11 | 6,649.69 |
| Borrowings bearing Fixed Rate of Interest | 47,071.38 | 29,920.15 |
| Total Borrowings | 51,882.49 | 36,569.84 |
| % of Borrowings bearing Variable rate of Interest | 9.27 | 18.18 |

* includes Current Maturity on Non Current Borrowings



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Interest Rate Sensitivity

A change of 100 Basis Point In Interest rates would have following Impact on Profit before tax

| Particulars | 2022-2023 | 2021-2022 |
|--------------------------|-----------|-----------|
| 100 Basis Point Increase | (48.11) | (66.50) |
| 100 Basis Point Decrease | 48.11 | 66.50 |

Note-The above analysis is prepared for floating rate liabilities assuming the amount of the Liability outstanding at the end of the reporting Period was outstanding for the whole year

3. 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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company maintains flexibility in funding by maintaining availability under committed credit lines. The Management monitors rolling forecasts of the Company's Liquidity position and cash and cash equivalents on the basis of the expected cash flows. The Company assessed the Concentration of risk with respect to its debt and concluded it to be low.

Maturity patterns of borrowings

As at 31st March, 2023

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|-----------------|----------------|------------------|
| Long term borrowings (Including current maturity of long term debt) | 1,857.73 | 2,953.38 | - | 4,811.11 |
| Short term borrowings | 47,071.38 | - | - | 47,071.38 |
| Total | 48,929.11 | 2,953.38 | - | 51,882.49 |

As at 31st March, 2022

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|-----------------|----------------|------------------|
| Long term borrowings (Including current maturity of long term debt) | 1,876.24 | 4,773.45 | - | 6,649.69 |
| Short term borrowings | 29,920.15 | - | - | 29,920.15 |
| Total | 31,796.39 | 4,773.45 | - | 36,569.84 |

Maturity patterns of other Financial Liabilities

As at 31st March, 2023

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|--------------|----------------|------------------|
| Trade Payables | 15,215.41 | - | - | 15,215.41 |
| Other Financial Liabilities (Current & Non Current) | 2,073.53 | 23.82 | - | 2,097.35 |
| Total | 17,288.94 | 23.82 | - | 17,312.76 |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

As at 31st March, 2022

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|--|------------------|--------------|----------------|------------------|
| Trade Payables | 14,820.91 | - | - | 14,820.91 |
| Other Financial Liabilities (Current & Non Current) | 1,861.95 | 23.94 | - | 1,885.89 |
| Total | 16,682.86 | 23.94 | - | 16,706.80 |

Note 37 : Capital Risk Management

For the Purpose of Company's Capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The Primary Objective of the Company's Capital management is to ensure that it maintains an efficient capital Structure and maximise shareholder Value. The Company is monitoring capital using Net debt equity ratio as its base, which is Net debt to equity.

The company's Policy is to keep Net debt equity ratio below 1.00 and infuse capital if and when required through better operational results and efficient working capital Management

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---------------------------------|--------------------------|--------------------------|
| Net Debt * | 39,604.86 | 31,281.49 |
| Total Equity | 117,888.00 | 117,211.28 |
| Net Debt to Total Equity | 0.34 | 0.27 |

*Net Debt= Non Current Borrowings +Current Borrowings -Cash & Cash Equivalents

Note 38: Ratio Analysis and its elements

| Ratio | Numerator | Denominator | | 31st March 2023 | 31st March 2022 | Variance % | Explanation for Variance |
|---------------------------------|---------------------------|----------------------------|-------|--------------------|--------------------|---------------|-----------------------------|
| Current Ratio | Current Assets | Current Liabilities | Times | 1.74 | 2.26 | -22.98 | - |
| Debt Equity Ratio | Total Debt | Share holder Equity | Times | 0.44 | 0.31 | 41.06 | Refer Note a |
| Debt Service Coverage Ratio | Earnings for Debt Service | Debt Service | Times | 8.45 | 10.77 | -21.58 | - |
| Return on Equity | Net Profit after Tax | Average Shareholder Equity | % | 16.18 | 20.87 | -22.49 | - |
| Inventory Turnover Ratio | Cost of Goods Sold | Average Inventory | Times | 4.19 | 4.44 | -5.70 | - |
| Trade Receivable Turnover Ratio | Revenue from Operations | Average Trade Receivables | Times | 3.32 | 3.78 | -12.32 | - |



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

| Ratio | Numerator | Denominator | | 31st March 2023 | 31st March 2022 | Variance % | Explanation for Variance |
|-------------------------------|---|--|-------|-----------------|-----------------|------------|--------------------------|
| Trade Payables Turnover Ratio | Net Purchases | Average Trade Payables | Times | 9.57 | 10.59 | -9.62 | - |
| Net Capital Turnover Ratio | Revenue from Operations | Working capital | Times | 3.55 | 2.57 | 37.91 | Refer Note b |
| Net Profit Ratio | Net Profit after tax | Revenue from Operations | % | 10.42 | 13.30 | -21.67 | - |
| Return on capital employed | Earnings before Interest & Taxes | Capital Employed | % | 16.11 | 20.00 | -19.43 | - |
| Return on Investment | Net gain on Sale / Fair Value changes of Investment | Average Value of Current & Non Current Investments (excluding Non Current Investment in Subsidiaries , Associates & Joint Venture) | % | 3.94 | 7.57 | -47.95 | Refer Note c |

Note

I. Explanation for Change in ratio by more than 25% as compared to preceding year

- Increase in Debt Equity Ratio is due to Increase in Borrowings in the current year as compared to the Previous year.
- Increase in Net Capital Turnover ratio is due to Increase in Revenue from Operations & reduction in Net Working Capital requirement as Compared to the Previous year
- Market Dynamics.

II. Earnings for Debt Service= Earnings before Interest Cost , depreciation and amortisation, exceptional items and tax.

Debt service = Interest Cost for the year +Principal repayment of Long Term debt Liabilities within one year.

Cost of Goods Sold = Cost of Materials Consumed +Purchases of Stock in trade +Changes in inventories +Manufacturing and operating expenses

Working Capital = Current Assets -Current Liabilities

Earnings before Interest & Taxes = Profit after exceptional items and before tax +Interest Cost

Capital Employed = Shareholder Equity +Total debt -Deferred tax liability



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

(₹ in Lakhs)

Note 39 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

| Particulars | | 2022-23 | 2021-22 |
|-------------|---|--|--|
| a) | Amount required to be spent by the Company during the year | 334.53 | 243.90 |
| b) | Amount of expenditure incurred | 439.00 | 208.50 |
| c) | Shortfall / (Excess) Amount at the beginning of the year | (149.60) | (185.00) |
| d) | Shortfall / (Excess) Amount at the end of the year | (250.00) | (149.60) |
| e) | Total of Previous Year Shortfall | - | - |
| f) | Reason for Shortfall | - | - |
| g) | Nature of CSR activities | Contribution to Indian Institute of Technology (IIT) | Contribution to Indian Institute of Technology (IIT) |
| h) | Details of related party transactions in relation to CSR expenditure by Company | - | - |
| i) | Excess Amount Carried Forward to next year to adjust the same against Future Obligations (Shown under Current Assets in Note No 9) | 250.00 | 149.60 |
| j) | Amount debited in the statement of Profit & Loss Account (Refer Note No 25) | 338.60 | 243.90 |

Note 40 : 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 ROC beyond the statutory period .
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the Financial Year
- (v) The Company has not advanced or loaned or invested funds to any other persons or entities 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 persons or entities , including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee , security or the like on behalf of the ultimate beneficiaries.
- (vii) The Company does not have any such transactions 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.



Notes to the Standalone Financial Statements for the Year Ended 31st March, 2023

Note-41 Other Accompanying Notes

- 1) The Figures have been rounded off to the nearest lakhs of Rupees upto two decimal Places.
- 2) Previous Years Figures have been regrouped / rearranged where ever necessary to make them Comparable with the Current year Figures
- 3) Note 1 to 41 Forms an Integral Part of the Financial Statements

As per our report of even date

For M.L.Sharma & Co

Chartered Accountants

Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner

M.No :104982

Sharad Kumar Saraf

Chairman & Managing Director

DIN 00035843

Sudarshan Kumar Saraf

Co-Chairman & Managing Director

DIN 00035799

Place: Mumbai

Date : 29th May, 2023

Neeraj Rai

Company Secretary

Navneet Kumar Saraf

Whole-time Director & CEO

DIN 00035686

Ashish Kumar Saraf

Whole-time Director & CFO

DIN 00035549



THIS PAGE IS INTENTIONALLY LEFT BLANK



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

TECHNOCRAFT INDUSTRIES (INDIA) LIMITED

Report on the Consolidated IND AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **TECHNOCRAFT INDUSTRIES (INDIA) LIMITED** (“the Holding Company), and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as “the Company” or “the Group”), and its Associates, comprising of the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit & Loss (Including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated 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 (hereinafter referred to as “the Consolidated Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group and its Associates as at 31st March 2023, and its consolidated profit (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis of 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the 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, and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended 31st March 2023. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.



| Key Audit Matters | How our audit addressed the key audit matter |
|---|---|
| 1. Revenue Recognition (Refer to the accounting policies | in Note 2 to the Ind AS Financial statements) |
| Revenue from the sale of goods is recognised upon the transfer of control of the goods to the customer. The Company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. There is a risk that revenue could be recognised in the incorrect period for sales transactions occurring on and around the year-end, therefore revenue recognition has been identified as a key audit matter. | <ul style="list-style-type: none"> a) Our audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 115 "Revenue from contracts with customers". b) We performed test of controls of management's process of recognizing the revenue from sales of goods with regard to the timing of the revenue recognition as per the sales terms with the customers c) We performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded taking into consideration the terms and conditions of the sale orders, including the shipping terms. d) We also performed audit procedures relating to revenue recognition by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period. e) Assessing and testing the adequacy of presentation and disclosures. |

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Ind AS 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.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. 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 of 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.



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.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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.



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31st March 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statement includes comparative financial information for previous year ended 31st March 2022 which were subjected to audit by another firm of Chartered Accountants under the Act who, vide their report dated 27th May, 2022, expressed an unmodified opinion on those financial statements.

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

We did not audit the financial statement of **One** Material Subsidiary, whose financial statement reflects total assets of Rs. 46,271.04 Lakhs (before eliminating inter-company balances) as at 31st March 2023, total revenues of Rs. 36,756.68 Lakhs (before eliminating inter-company balances) total net profit (loss) after tax of Rs. 4,911.97 Lakhs (before eliminating inter-company balances), total comprehensive income (loss) of Rs. 4,911.97 Lakhs (before eliminating inter-company balances) and net cash inflow of Rs. 382.44 Lakhs (before eliminating inter-company balances) for the year ended on that date, as considered in the consolidated financial statement, whose financial statement have not been audited by us. These financial statement have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

We did not audit the financial statement of **One** Subsidiary, whose financial statement reflects total assets of Rs. 7,594.51 Lakhs (before eliminating inter-company balances) as at 31st March 2023, total revenues of Rs. 8,126.87 Lakhs (before eliminating inter-company balances) total net profit (loss) after tax of Rs. 761.31 Lakhs (before eliminating inter-company balances), total comprehensive income (loss) of Rs. 761.31 Lakhs (before eliminating inter-company balances) and net cash inflow of Rs. 154.58 Lakhs (before eliminating inter-company balances) for the year ended on that date, as considered in the consolidated financial statements, whose financial statement have not been audited by us. These financial statement have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the report of the other auditor.

We have audited financial statements of **Eight** subsidiaries, whose financial statements reflects total assets of Rs. 16,550.35 Lakhs (before eliminating inter-company balances) as at 31st March 2023, total revenues of Rs. 10,894.97 Lakhs (before eliminating inter-company balances) total net profit after tax of Rs. 2,177.82 Lakhs (before eliminating inter-company balances), total comprehensive income of Rs. 2,189.46 Lakhs (before eliminating inter-company balances) and net cash inflow of Rs. 260.29 Lakhs (before eliminating inter-company balances) for the year ended on that date, as considered in the consolidated financial statements.

We did not audit the financial information's of **Nine** subsidiaries, whose financial information's reflects total assets of Rs. 23,890.38 Lakhs (before eliminating inter-company balances) as at 31st March 2023, total revenue of Rs. 25,821.11 Lakhs (before eliminating inter-company balances), total net profit after tax of Rs. 2,317.37 Lakhs (before eliminating inter-company balances), total comprehensive income of Rs. 2,317.37 Lakhs (before eliminating inter-company balances) and net cash inflow of Rs. 1,945.38 Lakhs for the year ended on that date, as considered in the consolidated financial statements, whose financial information's have not been audited by us.



We did not audit the financial information of **One** Associate, whose financial information reflects, total net profit/(loss) after tax of Rs. (0.02) Lakhs (before eliminating inter-company balances), total comprehensive income of Rs. (0.02) Lakhs (before eliminating inter-company balances) as at 31st March 2023, as considered in the consolidated financial statements, whose financial statements have not been audited by us.

These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, its subsidiaries and joint venture included in the consolidated Ind AS financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO Reports.

As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and other financial information of the subsidiaries and associates, we report, to the extent applicable, that:

- (a) We/the other auditor whose report we have relied upon 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 of the aforesaid consolidated Ind AS 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 reports of the other auditors;
- (c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate companies covered under the Act, none of the directors of the Group companies and its associate companies covered under the Act, are 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 Holding Company, and its subsidiary companies and associate companies covered under the Act, 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 and based on the consideration of the report of the other auditors on separate financial statements / consolidated financial statements as also the other financial information of the subsidiaries and associates:
 - i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated Ind AS financial position of the Group. Refer Note No. 30 to the Consolidated Ind AS financial statements;



- ii. Provision has been made in the Consolidated Ind AS financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the consolidated Ind AS financial statements in respect of such items as it relates to the Group;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by Companies Incorporated in India.
- v. (i) The Management of the Holding Company, have represented to us to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company, to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- (ii) The Management of the Holding Company have represented to us to the best of their knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, 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
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid any Dividend during the Year ended on 31st March 2023 as per section 123 of the Company's Act, 2013. Hence, we have nothing to report in this regard.

For M. L. Sharma & Co.
Firm Reg. No: 109963W
Chartered Accountants

Vikash L. Bajaj
Partner
Membership No. 104982
UDIN – 23104982BGQPWS7769

Place of Signature: Mumbai
Date: 29th May 2023



THE ANNEXURE – “A” REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF TECHNOCRAFT INDUSTRIES (INDIA) LIMITED FOR THE YEAR ENDED 31ST MARCH, 2023. WE REPORT THAT:

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

In conjunction with our audit of the consolidated Ind AS financial statement of the Company as of and for the year ended 31st March, 2023, We have audited the internal financial controls over financial reporting of **TECHNOCRAFT INDUSTRIES (INDIA) LIMITED** (“the Holding Company”) and its subsidiary and associate companies which are incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies which are incorporated in India, are 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 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 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.

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.

Opinion

In our opinion, the Holding Company and its subsidiary companies which are incorporated in India, have, 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 ICAI.

For M. L. Sharma & Co.
Firm Reg. No: 109963W
Chartered Accountants

Vikash L. Bajaj
Partner
Membership No. 104982
UDIN – 23104982BGQPWS7769

Place of Signature: Mumbai

Date: 29th May 2023



Consolidated Balance Sheet as at 31st March 2023

(₹ in lakhs)

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|--|----------|-----------------------|-----------------------|
| ASSETS | | | |
| A) Non Current Assets | | | |
| a) Property, Plant and Equipment | 3 | 41,670.68 | 39,586.25 |
| b) Capital work-in-progress | 3 | 3,983.31 | 1,729.18 |
| c) Investment Properties | 4 | 1,341.71 | 1,662.30 |
| d) Goodwill on Consolidation | | 495.75 | 495.75 |
| e) Other Intangible assets | 5 | 340.75 | 289.20 |
| f) Financial Assets | | | |
| i) Non Current Investments | 6(a) | 28,781.85 | 24,152.31 |
| ii) Others Financial Assets | 6(b) | 3,405.30 | 636.73 |
| g) Other Non Current Assets | 7 | 2,162.74 | 1,467.34 |
| Total Non Current Assets | | 82,182.09 | 70,019.06 |
| B) Current Assets | | | |
| a) Inventories | | | |
| b) Financial Assets | 8 | 78,981.89 | 54,966.59 |
| i) Current Investments | 6(a) | 4,306.50 | 17,876.77 |
| ii) Trade receivables | 6(c) | 41,961.82 | 45,680.96 |
| iii) Cash and cash equivalents | 6(d) | 16,906.64 | 7,174.67 |
| iv) Other Bank Balances | 6(e) | 1,203.77 | 2,888.19 |
| v) Loans | 6(f) | 1,407.49 | 2,463.59 |
| vi) Other Financial Assets | 6(b) | 1,037.97 | 1,509.46 |
| c) Other Current Assets | 9 | 8,128.97 | 7,983.71 |
| Total Current Assets | | 153,935.05 | 140,543.94 |
| Assets Classified as held for Sale | 10 | 308.44 | 507.36 |
| Total Assets | | 236,425.58 | 211,070.36 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| a) Equity Share Capital | 11(a) | 2,296.17 | 2,446.17 |
| b) Other Equity | 11(b) | 139,285.55 | 131,220.67 |
| Equity attributable to equity holders of the parent Company | | 141,581.72 | 133,666.84 |
| Non - Controlling interests | | 2,655.80 | 1,796.01 |
| Total Equity | | 144,237.52 | 135,462.85 |



Consolidated Balance Sheet as at 31st March 2023

| Particulars | Note No. | As at 31st March 2023 | (₹ in lakhs) As at 31st March 2022 |
|--|----------|--------------------------|--|
| LIABILITIES | | | |
| A) Non Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Non Current Borrowings | 12(a) | 2,962.87 | 4,784.22 |
| ii) Other Financial Liabilities | 12(b) | 129.78 | 121.68 |
| b) Provisions | 13 | 2,372.56 | 2,348.10 |
| c) Deferred tax liabilities (Net) | 14 | 369.89 | 721.44 |
| d) Other Non Current Liabilities | 15 | 397.00 | 646.68 |
| Total Non Current Liabilities | | 6,232.10 | 8,622.12 |
| B) Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Current Borrowings | 12(a) | 62,618.29 | 45,830.28 |
| ii) Trade payables | 12(c) | | |
| Total outstanding dues of Micro & Small Enterprises | | 52.10 | 59.13 |
| Total outstanding dues of creditors other than Micro & Small Enterprises | | 14,416.68 | 14,102.52 |
| iii) Other Financial Liabilities | 12(b) | 3,648.88 | 3,034.56 |
| b) Provisions | 13 | 241.66 | 255.30 |
| c) Current Tax Liabilities (Net) | 16 | 1,268.65 | 1,318.43 |
| d) Other Current Liabilities | 17 | 3,709.70 | 2,385.17 |
| Total Current Liabilities | | 85,955.96 | 66,985.39 |
| Total Equity and Liabilities | | 236,425.58 | 211,070.36 |

Significant Accounting Policies

1 & 2

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May, 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549



Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in lakhs)

| Particulars | Note No. | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|----------|--------------------------------|--------------------------------|
| Continuing Operations | | | |
| Revenue From Operations | 18 | 198,453.19 | 191,110.50 |
| Other Income | 19 | 5,036.81 | 4,744.60 |
| Total Income | | 203,490.00 | 195,855.10 |
| Expenditure | | | |
| Cost of materials consumed | 20 | 95,774.51 | 84,412.16 |
| Purchases of Stock-in-Trade | | 3,068.12 | 3,790.32 |
| Changes in inventories of finished Stock, Stock - in -Trade and work - in - progress | 21 | (19,385.23) | (5,970.47) |
| Employee benefits expenses | 22 | 21,512.21 | 19,318.08 |
| Finance costs | 23 | 2,793.22 | 2,127.09 |
| Depreciation and amortisation expenses | 24 | 6,401.54 | 6,291.36 |
| Other expenses | 25 | 57,148.10 | 50,352.84 |
| Total expenses | | 167,312.47 | 160,321.38 |
| Share of Profit / (Loss) in Associate | | (0.02) | (0.02) |
| Profit before tax & Exceptional items from Continuing Operations | | 36,177.51 | 35,533.70 |
| Exceptional Items | 26 | - | 473.65 |
| Profit before tax but after Exceptional items from Continuing Operations | | 36,177.51 | 36,007.35 |
| Tax Expenses of Continuing Operations | 27 | | |
| (1) Current tax | | 9,211.93 | 8,547.74 |
| (2) Deferred tax | | (495.58) | (140.52) |
| (3) Tax in respect of earlier years | | 6.89 | 143.26 |
| Total Tax expenses | | 8,723.24 | 8,550.48 |
| Profit after tax from Continuing Operations | | 27,454.27 | 27,456.87 |
| Discontinued Operations | 28 | | |
| Profit / (Loss) before tax from discontinued operations | | 500.00 | (15.75) |
| Tax Expenses / (Income) of discontinued operations | | 125.84 | (3.97) |
| Profit / (Loss) after tax from discontinued operations | | 374.16 | (11.78) |
| Profit for the year after tax from Continuing & Discontinued Operations | | 27,828.43 | 27,445.09 |
| Other Comprehensive Incomes (Net of Taxes) | | | |
| (i) Items that will not be reclassified to profit or loss | | | |
| - Remeasurements of net defined Benefit Plans (net of tax) | | 31.54 | (205.40) |
| Items that will be reclassified to Profit & Loss | | | |
| Foreign Currency translation | | (601.10) | (172.70) |
| Other Comprehensive Income/ (Loss) for the year (net of tax) | | (569.56) | (378.10) |
| Total Comprehensive Income for the year after tax | | 27,258.87 | 27,066.99 |



Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in lakhs)

| Particulars | Note No. | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|----------|--------------------------------|--------------------------------|
| Net Profit for the year attributable to : | | | |
| Equity Holders of Parent | | 26,709.66 | 26,739.90 |
| Non - Controlling interest | | 1,118.77 | 705.19 |
| | | 27,828.43 | 27,445.09 |
| Total Comprehensive Income attributable to : | | | |
| Equity Holders of Parent | | 26,275.82 | 26,417.32 |
| Non - Controlling interest | | 983.05 | 649.67 |
| | | 27,258.87 | 27,066.99 |
| Earnings per equity share of Face Value of ₹ 10/- each | 29 | | |
| Basic & Diluted Earnings per Share -Continuing Operations | | 109.43 | 109.36 |
| Basic & Diluted Earnings per Share -Discontinued Operations | | 1.55 | (0.05) |
| Basic & Diluted Earnings per Share -Continuing & Discontinued Operations | | 110.98 | 109.31 |

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date

For M.L.Sharma & Co

Chartered Accountants
Firm Reg.No.109963W

(Vikash L Bajaj) Partner

M.No :104982

Place: Mumbai

Date : 29th May, 2023

Neeraj Rai

Company Secretary

For and on behalf of Board of Directors

Sharad Kumar Saraf

Chairman & Managing Director
DIN 00035843

Navneet Kumar Saraf

Whole-time Director & CEO
DIN 00035686

Sudarshan Kumar Saraf

Co-Chairman & Managing Director
DIN 00035799

Ashish Kumar Saraf

Whole-time Director & CFO
DIN 00035549



Consolidated Cash Flow Statement for the year ended March 31, 2023

| | (₹ in lakhs) | |
|---|--------------------------------|--------------------------------|
| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| A. CASH FLOW ARISING FROM OPERATING ACTIVITIES : | | |
| Profit after exceptional items but before tax from Continuing operations | 36,177.51 | 36,007.35 |
| Profit after exceptional items but before tax from Discontinued operations | 500.00 | (15.75) |
| Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities | | |
| Exceptional Items (Refer Note No 26) | - | (473.65) |
| Share of Loss in Associate | 0.02 | 0.02 |
| Depreciation and amortisation expenses | 6,401.54 | 6,291.36 |
| Reversal of Impairment Loss | (500.00) | - |
| Government Grant Income | (233.70) | (231.15) |
| (Gain) on sale of property, plant and Equipment | (148.35) | (93.88) |
| Unrealised Forex Loss / (gain) | (975.48) | 297.00 |
| Interest income | (336.00) | (213.29) |
| Interest Expenses | 2,557.03 | 1,755.43 |
| Rental Income | (310.34) | (309.46) |
| Net gain on sale/fair valuation of Investments through profit & loss | (1,909.22) | (2,774.42) |
| | 41,223.01 | 40,239.56 |
| Working capital adjustments | | |
| (Increase)/ Decrease in Inventories | (24,015.30) | (8,749.42) |
| (Increase)/ Decrease in Trade Receivables | 4,614.76 | (11,019.50) |
| (Increase)/ Decrease in Other Receivables | (600.62) | (3,339.01) |
| Increase/ (Decrease) in Trade and Other Payables | 1,805.90 | 1,803.05 |
| | 23,027.75 | 18,934.68 |
| Income Taxes paid | (9,432.35) | (8,177.69) |
| Net Cash Inflow/(Outflow) in the course of Operating Activities (A) | 13,595.40 | 10,756.99 |
| Net Operating Cash Inflow/(Outflow) from Continuing Operations | 13,580.42 | 10,861.95 |
| Net Operating Cash Inflow/(Outflow) from Discontinued Operations | 14.98 | (104.96) |
| B. CASH FLOW ARISING FROM INVESTING ACTIVITIES : | | |
| Purchase of Property, Plant and equipment /Investment Properties / intangible assets including Capital Work in Progress | (10,246.98) | (6,512.95) |
| Sale Proceeds of Property ,Plant and equipment | 916.55 | 1,316.92 |
| Purchase of Investments | (26,750.00) | (13,725.00) |
| Proceeds from sale of Investments | 37,599.84 | 7,914.27 |
| Interest received | 476.78 | 163.54 |
| Refund/ (Investment) in bank deposits having original maturity of more than 3 Months | (1,077.86) | (149.49) |
| Recovery / (Advancement of Loans) | 1,236.46 | (2,180.92) |
| Foreign Currency Translation Differences in respect of Property, Plant and Equipment / Investment Properties / Intangible assets including Capital Work In progress | (238.54) | (315.09) |
| Rent Received | 309.01 | 314.17 |
| Net Cash Inflow/(Outflow) in the course of Investing Activities (B) | 2,225.26 | (13,174.55) |
| Net Cash Inflow/(Outflow) in the course of Investing Activities from Continuing Operations | 1,528.15 | (13,176.26) |



Consolidated Cash Flow Statement for the year ended March 31, 2023

| Particulars | (₹ in lakhs) | |
|---|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
| Net Cash Inflow/(Outflow) in the course of Investing Activities from Discontinued Operations | 697.11 | 1.71 |
| C. CASH FLOW ARISING FROM FINANCING ACTIVITIES : | | |
| Net Proceeds / (Repayment) from Long Term & Short Term Borrowings | 14,950.24 | 3,749.28 |
| Interest charges paid | (2,537.26) | (1,645.39) |
| Repayment of Lease Liabilities | (17.48) | (10.02) |
| Dividend Paid | (123.25) | (45.48) |
| Buyback of Equity Shares | (15,000.00) | - |
| Tax on Buyback of Equity Shares | (3,360.94) | - |
| Net Cash Inflow/(Outflow) in the course of Financing Activities (C) | (6,088.69) | 2,048.39 |
| Net Cash Inflow/(Outflow) in the course of Financing Activities from Continuing Operations | (5,377.04) | 1,959.66 |
| Net Cash Inflow/(Outflow) in the course of Financing Activities from Discontinued Operations | (711.65) | 88.73 |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 9,731.97 | (369.17) |
| Cash and cash equivalents at the beginning of the year | 7,174.67 | 7,543.84 |
| Cash and cash equivalents at the end of the year | 16,906.64 | 7,174.67 |

Notes-

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Cash Flow Statements".
- Components of Cash & Cash equivalents (₹ in lakhs)

| | As at 31-Mar-2023 | As at 31-Mar-2022 |
|---|----------------------|----------------------|
| Balances with Banks - In current accounts | 16,859.11 | 7,005.17 |
| Cash on Hand | 47.53 | 169.50 |
| Cash and cash equivalents at the end of the year | 16,906.64 | 7,174.67 |

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May, 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023



Share Capital

(₹ in lakhs)

| Particulars | Balance as at 1st April, 2021 | "Changes in equity share capital during the year" | Balance as at 31st March, 2022 | Changes in Equity Share Capital during the year. | Balance as at 31st March, 2023 |
|--|-------------------------------|---|--------------------------------|--|--------------------------------|
| Paid up Equity Capital (Equity Shares of ₹ 10/- each issued, Subscribed & Fully Paid Up) | 2,446.17 | - | 2,446.17 | 150.00 | 2,296.17 |

Other Equity

| Particulars | Other Equity attributable to the Equity Shareholders of Parent Company | | | | | | Non Controlling Interest | Total Other Equity | |
|--|--|-----------------|--------------------|------------------|-------------------|--|--------------------------|--------------------|-------------------|
| | Capital Redemption Reserve | Capital Reserve | Securities Premium | General Reserve | Retained Earnings | Foreign Currency Translations Reserves | | | Total |
| Balance as at 1st April, 2021 | 709.01 | 76.53 | 459.12 | 13,632.44 | 90,399.70 | (473.45) | 104,803.35 | 1,191.82 | 105,995.17 |
| Additions : | | | | | | | | | |
| Profit for the year | - | - | - | - | 26,739.90 | - | 26,739.90 | 705.19 | 27,445.09 |
| Other Comprehensive Income | - | - | - | - | (207.07) | (115.51) | (322.58) | (55.52) | (378.10) |
| Reclassification of Foreign Currency Translation Reserve on disposal of Foreign Operations | - | - | - | - | (266.83) | 266.83 | - | - | - |
| Dividend Paid | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March, 2022 | 709.01 | 76.53 | 459.12 | 13,632.44 | 116,665.70 | (322.13) | 131,220.67 | 1,796.01 | 133,016.68 |
| Additions : | | | | | | | | | |
| Profit for the year | - | - | - | - | 26,709.66 | - | 26,709.66 | 1,118.77 | 27,828.43 |
| Other Comprehensive Income | - | - | - | - | 29.70 | (463.54) | (433.84) | (135.72) | (569.56) |
| Transfer from General Reserve to Capital Redemption Reserve on BuyBack of Shares | 150.00 | - | - | (150.00) | - | - | - | - | - |
| Amount Utilised for BuyBack of Equity Shares including Tax on Buyback of Equity Shares | - | - | - | - | (18,210.94) | - | (18,210.94) | - | (18,210.94) |
| Dividend Paid | - | - | - | - | - | - | - | (123.26) | (123.26) |
| Balance as at 31st March, 2023 | 859.01 | 76.53 | 459.12 | 13,482.44 | 125,194.12 | (785.67) | 139,285.55 | 2,655.80 | 141,941.35 |

The accompanying notes form an integral part of the Consolidated financial statements

As per our report of even date

For M.L.Sharma & Co
Chartered Accountants
Firm Reg.No.109963W

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
M.No :104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May, 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549



Notes to the Consolidated Financial Statements for the year ended March 31, 2023

1. Company Overview

Technocraft Industries (India) Limited (“the Company”), was incorporated on 28th October 1992, CIN L28120MH1992PLC069252. The company is a Public Limited company incorporated and domiciled in India and is having its registered office at Technocraft House, A-25, Road No 3, MIDC Industrial Estate, Andheri (E), Mumbai -93, Maharashtra, India. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India.

The Company and its subsidiaries & Joint Venture (collectively referred to as “the Group”) are well diversified having its business Interest in Drum Closures (2nd Largest in the World), Scaffolding & Formworks, Yarn, Fabrics & Garments & Engineering & Design.

Authorisation of Consolidated Financial Statements: The Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 29th May 2023.

2. Statement of Significant Accounting Policies:

2.1 Basis of preparation of Consolidated Financial Statements:

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; (as amended) and the other relevant provisions of the Act and Rules thereunder.

The Consolidated Financial Statements have been prepared under historical cost convention basis, except for

- a. Certain assets and liabilities measured at fair value (refer accounting policies for financial instruments).
- b. Assets held for Sale –measured at fair value less costs to sell
- c. Defined Benefits Plans –Plan assets measured at fair Value

2.2 Basis of Consolidation and Equity Accounting:

Subsidiary:

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its involvement in the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which Group attains control and are deconsolidated from the date that control ceases to exist.

The Consolidated financial statements of the Group incorporate the assets, liabilities, equity, income, expenses and cash flows of the company and its subsidiaries and are presented as those of a single economic entity. The company has control of the subsidiaries as it has the rights to variable returns from its involvement and has the ability to affect those returns through its power over the subsidiaries.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation procedures principally followed are:

- (a) Like items of assets, liabilities, equity, income, expenses and cash flows of the company and those of its subsidiaries are combined;
- (b) The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary are eliminated;
- (c) Intragroup assets and liabilities, equity, income, expense, and cash flows relating to transactions between entities of the Group are eliminated in full.

Goodwill is recognized when a change in the Group's ownership interest, (or otherwise), results in the Group acquiring control over a Company



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. (i.e. transactions with owners in their capacity as owners)

Goodwill arising on consolidation is tested for impairment at each reporting date. If the recoverable amount of cash generating unit to which the goodwill is attributed is less than the carrying amount of the unit, an impairment loss is recognized, first to reduce the carrying amount of goodwill (and thereafter to the balance assets of the unit, pro rata to their carrying amounts).

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners and to the non-controlling interests (even if this results in the non-controlling interests having a deficit balance).

Associates

Associates are all entities over which the Group has significant influence but not control or joint control This is generally the case where the Group holds between 20% and 50% of the Voting Rights .Investment in associates are accounted for using the equity method of accounting, after initially being recognized at Cost.

Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group Share of the post –acquisition profit or losses of the investee in statement of profit and loss, and the Group's Share of other comprehensive Income .Dividends received or receivable from Associates are recognized as a reduction in the carrying amount of the Investment

When the Group's Share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, until it has incurred obligations or made payments on behalf of other entity .Such further losses are disclosed as part of the Current Liabilities.

2.3 Business Combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisitions related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized as their fair values at the acquisition date except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, which are recognized and measured in accordance with Ind AS 12- Income taxes and Ind AS 19- Employee Benefits, respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity instrument in the acquiree (if any) over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

2.4 Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note. Accounting estimates could change from period to period. Actual results could



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.5 Revenue Recognition

The Group derives its revenue primarily from sales of manufactured goods, traded goods and from rendering Services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price (which is the Consideration, adjusted to discounts, incentives and returns etc., if any) that is allocated to that Performance Obligation. These are generally accounted for as variable consideration estimated in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experiences and Projected Market Conditions.

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, it does not adjust any of the transaction prices for the time value of Money.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the Following criteria is met:

- The Group simultaneously receives and consumes the benefits provided by the Company's Performance as the Company performs; or
- The Group Performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group Performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to the Payment for Performance completed to date

For performance obligations where one of the above conditions are not met revenue is recognized at the Point in time at which the Performance obligation is satisfied.

Revenue from sale of Products and services are recognized at the time of satisfaction of performance obligation The period over which the revenue is recognized is based on entity right to payment for performance Completed. In determining whether an entity has right to payment, the entity shall consider whether it would have an enforceable right to demand or retain payment for performance completed to date if the contract were to be terminated before completion for reasons other than entity's failure to perform as per the terms of Contract

Revenue in excess of invoicing are classified as Contract asset while invoicing in excess of revenues are classified as contract Liabilities

Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group unconditional right to consideration (that is , payment is due only on the passage of time) .Trade receivables are recognized initially at the transaction price as they do not contain Significant financing components

Other Income

Dividend Income is recognized when the right to receive the payment is established, which is generally when shareholders approve the dividend.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

Interest Income on all debt instruments measured at amortized cost is recorded using the effective interest rate (EIR).

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of the Income can be measured reliably.

2.6 Inventories

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Trading Goods, Stores, Spares and other components, Packing Materials, Fuel and Oil are valued at cost or net realizable value, whichever is lower. Goods in transit are valued at cost or net realizable value, whichever is lower. Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on FIFO basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

If payment terms for inventory are on deferred basis i.e. beyond normal credit terms, then cost is determined by discounting the future cash flows at an interest rate determined with reference to the market rates. The difference between total cost and deemed cost is recognized as interest expense over the period of financing under the effective interest method.

The inventories resulting from intra-group transactions have been stated at cost after deducting unrealized profit on such transactions.

2.7 Property, Plant and Equipment (PPE):

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

2.8 Capital Work in Progress

Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress. Expenditure during construction period is also included under Capital Work in Progress.

2.9 Intangible Assets

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

2.10 Depreciation

Depreciation on Property, Plant and Equipment has been provided on the Written down Value method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold Land is amortized over the period of lease. Leasehold Improvements are amortized over the period of lease or estimated useful life, whichever is lower.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

2.11 Investment Property

Investment property applies to owner-occupied property and is held to earn rentals or for capital appreciation or both. Hence such properties are reclassified from Property, Plant and Equipment to Investment property.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

Investment property is measured at its cost, including related transaction cost less depreciation and impairment, if any. Investment properties are depreciated using the written down value method over their estimated useful life. Any transfer to or from Investment property is done at the carrying amount of the Investment Property.

2.12 Non-Current assets held for Sale and discontinued operations

The Group classifies non-current assets as held for sale if their carrying amount will be recovered principally through sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. The criteria for held for sale classification is met only when the assets is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets & its sale is highly probable.

Non-Current assets held for Sale are measured at the lower of their Carrying amount and the fair Value less cost to sell.

Property, Plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale and

- a) Represents a separate major line of business or geographical area of operations
- b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of Profit & Loss.

2.13 Government Subsidy

The Group recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Government grants relating to the purchase of property, plant and equipment are treated as deferred income and are recognized in net profit in the statement of profit and loss on a systematic and rational basis over the useful life of the asset.

Government grants related to revenue are recognized on a systematic basis in net profit in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

2.14 Borrowings

Borrowings are initially recognized at net of transaction Cost incurred and measured at amortized Cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of Profit & Loss over the period of borrowings using the effective Interest method.

2.15 Borrowing Cost

Interest and other borrowing cost attributable to qualifying assets are capitalized. Other interest and borrowing cost are charged to the statement of Profit & Loss.

2.16 Income Tax

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



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

a) Current Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

b) Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

2.17 Leases

At inception of Contract, the Group assesses whether the Contract is or contains a Lease. A Contract is, or contains, a lease if the Contract conveys the right to Control the use of an identified asset for a period of time in exchange for Consideration .At inception or on reassessment of a contract that contains a lease Component, the Group allocates Consideration in the contract to each lease component on the basis of their relative standalone price.

As a Lessee

i) Right of use assets

The Group recognizes right of use assets at the commencement date of the lease .Right of use assets are measured at cost less any accumulated depreciation and impairment Losses and adjusted for any re measurement of Lease Liabilities .The Cost of right to use assets include the amount of lease Liabilities recognized, initial direct cost incurred, Lease payments made at or before 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 Group presents right to use assets that do not meet the definition of Investment property in “Property, Plant and Equipment

ii) Lease Liabilities

At the Commencement date of the Lease , the Group recognizes Lease Liabilities measured at the present value of lease payments to be made over the Lease term .In Calculating the present Value of lease payments , the Group generally uses its incremental borrowing rate at the Lease Commencement date if the discount rate implicit in the lease is not readily determinable .

Lease payments included in the measurement of the Lease Liability are made up of fixed payments (including in substance, fixed) and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses .It is remeasured to reflect any reassessment or modification.

The Group presents lease Liabilities under Financial Liabilities in the Balance sheet .

The Group has elected to account for short term leases and Leases of Low Value assets using the exemption given under Ind AS 116, Leases .Instead of recognizing a right of use asset and Lease Liability, the payments in relation to these are recognized as an expense in the profit or loss on a straight Line basis over the Lease term or on another systematic basis if that basis is more representative of the pattern of the Group benefit



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

As a Lessor

Leases for which the Group is a Lessor is classified as Finance or operating Lease

Lease income from operating leases where the Group is a Lessor is recognized in income on a straight line basis over the Lease Term unless the receipts are structured to increase in line with expected general inflation to Compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature

2.18 Financial Assets

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus 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.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the 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. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the 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, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(iv) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) De recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - The Group has transferred substantially all the risks and rewards of the asset, or
 - The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

d) Impairment of financial assets

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the Business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been as significant increase in credit risk.

e) Income Recognition

Interest Income from debt instruments is recognized using the effective interest rate method.

2.19 Financial Liabilities

a) Initial recognition and measurement

All financial liabilities are recognized initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The measurement of financial liabilities depends on their classification as described below

(i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

(ii) Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

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

c) De recognition

A financial liability is derecognized 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 & Loss.

2.20 Offsetting of financial instruments

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

2.21 Fair Value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair Value hierarchy:

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group 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.

2.22 Cash and cash Equivalents:

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks with an original maturity of three months or less.

2.23 Employee Benefits

➤ Short-term employee benefit

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

➤ **Post-employment benefits**

The Group's net obligation in respect of defined benefit plans such as gratuity is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method.

The current service cost of the defined benefit plan, recognized in the Statement of Profit & Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit & Loss. The net interest cost is calculated by 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 & Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding net interest) and the effect of the asset ceiling (if any, excluding net interest), are recognized immediately in other comprehensive income.

➤ **Other long-term employee benefits**

Liability towards other long term employee benefits - leave encashment is determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit & Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit & Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit & Loss. Re-measurements are recognised in the Statement of Profit & Loss.

2.24 Foreign Currency Transactions:

The presentation currency of the Group is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gain /losses arising on settlement as also on translation of monetary items are recognized in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

For the preparation of the consolidated financial statements:

- (a) Assets and liabilities of foreign operations are translated to Indian Rupees at exchange rates prevailing at the reporting period end;
- (b) Income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translations are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation, attributable to the owners of the Group is reclassified to the Statement of Profit and Loss. In relation to a partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the Statement of Profit and Loss.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

2.25 Impairment of Non-Financial assets

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

2.26 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.27 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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

2.28 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

2.29 Classification of Assets and Liabilities as Current and Non-Current

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act

2.30 Cash Flows:

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

2.31 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

2.32 Exceptional Items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed as exceptional items.

2.33 Recent accounting pronouncement

The Ministry of Corporate Affairs has vide notification dated 31st March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective from 1 April 2023.

The Rules predominantly amend INDAS-12-Income Taxes and INDAS -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 any material impact on the Group in the current or future reporting periods and on foreseeable future transactions

2.34 Significant accounting judgments, estimates and assumptions:

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise Judgment in applying the Group accounting policies.

The estimates and judgments involves a higher degree of judgment or complexity, and of 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 judgments is included in relevant notes.

Critical estimates and judgments

The areas involving critical estimates or judgments are

- o Estimation of current tax expenses and payable
- o Estimated useful life of Intangible assets
- o Estimation of defined benefit obligation
- o Estimation of Provisions and Contingencies

Notes to the Consolidated Financial Statements for the year ended 31st March, 20223

Note 3 : Property, Plant and Equipment

| Particulars | Leasehold Land | Free Hold Land | Building / Factory Building | Furniture & Fittings | Plant and Machinery | Office Equipments | Computers | Motor Car & Vehicle | Lease Hold Improvement | Right of Use Assets (Lease Hold Building) | Total | Capital Work in Progress |
|---|----------------|----------------|-----------------------------|----------------------|---------------------|-------------------|-----------------|---------------------|------------------------|--|------------------|--------------------------|
| Year Ended 31st March ,2023 | | | | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | | | | |
| Opening Gross Carrying Amount | 938.25 | 687.49 | 18,945.67 | 619.09 | 41,760.38 | 463.76 | 996.10 | 485.68 | 8.84 | - | 64,905.26 | 1,729.18 |
| Adjustments due to Foreign Currency Translations | 2.95 | 91.59 | 143.37 | 1.16 | 7.70 | 3.83 | 3.50 | 0.55 | - | - | 254.65 | - |
| Additions | - | - | 3,264.94 | 193.99 | 3,429.62 | 163.50 | 372.91 | 393.77 | 1.64 | 54.82 | 7,875.19 | 6,396.92 |
| Disposals | - | - | 13.17 | - | 250.96 | - | 1.07 | 22.30 | - | - | 287.50 | - |
| Transfers | - | - | - | - | - | - | - | - | - | - | - | 4,142.79 |
| Transfer from Investment Property (Refer Note No 4) | - | - | 344.35 | - | - | - | - | - | - | - | 344.35 | - |
| Closing Gross Carrying Amount | 941.20 | 779.08 | 22,685.16 | 814.24 | 44,946.74 | 631.09 | 1,371.44 | 857.70 | 10.48 | 54.82 | 73,091.95 | 3,983.31 |
| Accumulated Depreciation | | | | | | | | | | | | |
| Opening Accumulated Depreciation | 92.24 | - | 4,506.68 | 339.73 | 19,041.25 | 358.41 | 738.58 | 242.12 | - | - | 25,319.01 | - |
| Adjustments due to Foreign Currency Translations | 0.34 | 5.00 | 46.21 | 1.43 | 6.23 | 4.52 | 2.20 | 0.57 | - | - | 66.50 | - |
| Depreciation charge during the year-Continuing Operations | 15.35 | - | 1,271.41 | 84.39 | 4,335.11 | 78.05 | 242.06 | 112.18 | 1.01 | 16.32 | 6,155.88 | - |
| Disposals | - | - | 9.27 | - | 193.73 | - | - | 18.24 | - | - | 221.24 | - |
| Transfer from Investment Property (Refer Note No 4) | - | - | 101.12 | - | - | - | - | - | - | - | 101.12 | - |
| Closing Accumulated Depreciation | 107.93 | 5.00 | 5,916.15 | 425.55 | 23,188.86 | 440.98 | 982.84 | 336.63 | 1.01 | 16.32 | 31,421.27 | - |
| Net Carrying Amount | 833.27 | 774.08 | 16,769.01 | 388.69 | 21,757.88 | 190.11 | 388.60 | 521.07 | 9.47 | 38.50 | 41,670.68 | 3,983.31 |
| Year Ended 31st March , 2022 | | | | | | | | | | | | |
| Gross Carrying Amount | | | | | | | | | | | | |
| Opening Gross Carrying Amount | 883.41 | 691.39 | 14,577.32 | 519.92 | 39,035.06 | 399.34 | 782.80 | 453.45 | - | 86.73 | 57,429.42 | 1,240.28 |
| Adjustments due to Foreign Currency Translations | 18.76 | (3.90) | 193.22 | 1.51 | 188.20 | 3.76 | 1.46 | 5.02 | - | - | 408.03 | 32.73 |
| Additions | 36.08 | - | 1,877.10 | 155.88 | 3,336.33 | 67.28 | 220.19 | 170.40 | 8.84 | - | 5,872.10 | 4,072.95 |
| Disposals | - | - | - | 58.22 | 779.35 | 6.62 | 8.35 | 133.27 | - | - | 985.81 | - |
| Transfers | - | - | - | - | - | - | - | - | - | 86.73 | 86.73 | 3,616.78 |
| Transfer from Investment Property (Refer Note No 4) | - | - | 2,298.03 | - | - | - | - | - | - | - | 2,298.03 | - |
| Transfers on Account of Disposal of Subsidiary | - | - | - | - | 26.79 | - | - | 9.92 | - | - | 36.71 | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 20223



| Particulars | Leasehold Land | Free Hold Land | Building / Factory Building | Furniture & Fittings | Plant and Machinery | Office Equipments | Computers | Motor Car & Vehicle | Lease Hold Improvement | Right of Use Assets (Lease Hold Building) | Total | Capital Work in Progress |
|---|----------------|----------------|-----------------------------|----------------------|---------------------|-------------------|---------------|---------------------|------------------------|---|------------------|--------------------------|
| Transfer from Assets Classified as "Held for Sale" (Refer Note No 10) | - | - | - | - | 6.93 | - | - | - | - | - | 6.93 | - |
| Closing Gross Carrying Amount | 938.25 | 687.49 | 18,945.67 | 619.09 | 41,760.38 | 463.76 | 996.10 | 485.68 | 8.84 | - | 64,905.26 | 1,729.18 |
| Accumulated Depreciation | | | | | | | | | | | | |
| Opening Accumulated Depreciation | 74.90 | - | 3,035.15 | 305.91 | 14,790.85 | 309.10 | 609.13 | 323.08 | - | 77.74 | 19,525.86 | - |
| Adjustments due to Foreign Currency Translations | 2.64 | - | 51.34 | 1.42 | 82.21 | 3.27 | 1.40 | 3.47 | - | - | 145.75 | - |
| Depreciation charge during the year-Continuing Operations | 14.70 | - | 1,176.41 | 60.79 | 4,570.43 | 50.28 | 133.95 | 44.21 | - | 8.99 | 6,059.76 | - |
| Disposals / Transfers | - | - | - | 28.39 | 379.33 | 4.24 | 5.90 | 124.04 | - | 86.73 | 628.63 | - |
| Transfers from Investment Property (Refer Note 4) | - | - | 243.78 | - | - | - | - | - | - | - | 243.78 | - |
| Transfers on Account of Disposal of Subsidiary | - | - | - | - | 26.03 | - | - | 4.60 | - | - | 30.63 | - |
| Transfer from Assets Classified as "Held for Sale" (Refer Note No 10) | - | - | - | - | 3.12 | - | - | - | - | - | 3.12 | - |
| Closing Accumulated Depreciation | 92.24 | - | 4,506.68 | 339.73 | 19,041.25 | 358.41 | 738.58 | 242.12 | - | - | 25,319.01 | - |
| Net Carrying Amount | 846.01 | 687.49 | 14,438.99 | 279.36 | 22,719.13 | 105.35 | 257.52 | 243.56 | - | - | 39,586.25 | 1,729.18 |

Notes

- All Property, Plant and equipment are held in the name of the Group Except Right of Use Asset
- Refer to Note No 31 for information on Property, Plant & Equipment Pledged as Security by the Group
- Capital Work Work in Progress**
Capital Work in Progress is towards expansion of Various Business Units of the Group
- The Group has not revalued its property, Plant & equipment and intangible assets during the year.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note 3A: Ageing of Capital Work in Progress (CWIP)

| Particulars | Amount of 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 | | | | | |
| Project in Progress | 3,843.96 | 139.35 | | | 3,983.31 |
| Project temporarily suspended | | | | | |
| Total | 3,843.96 | 139.35 | - | - | 3,983.31 |
| As at 31st March 2022 | | | | | |
| Project in Progress | 1,243.57 | 269.92 | 43.52 | 172.17 | 1,729.18 |
| Project temporarily suspended | | | | | |
| Total | 1,243.57 | 269.92 | 43.52 | 172.17 | 1,729.18 |

Note 4 : Investment Properties

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Gross Carrying Amount | | |
| Opening Gross Carrying Amount | 2,517.90 | 4,782.27 |
| Additions during the year | - | - |
| Transfer to Property , Plant & Equipment (Refer Note No 3) | 344.35 | 2,298.03 |
| Disposal | 3.02 | - |
| Adjustments due to Foreign Currency Translations | 80.14 | 33.66 |
| Closing Gross Carrying Amount | 2,250.67 | 2,517.90 |
| Accumulated Depreciation | | |
| Opening Accumulated Depreciation | 855.60 | 960.91 |
| Adjustments due to Foreign Currency Translations | 42.57 | 15.64 |
| Transfer to Property , Plant & Equipment (Refer Note No 3) | 101.12 | 243.78 |
| Depreciation Charge for the year | 111.91 | 122.83 |
| Closing Accumulated Depreciation | 908.96 | 855.60 |
| Net Carrying Amount | 1,341.71 | 1,662.30 |

i) Amount recognised in profit and loss in respect of investment properties

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Rental Income | 283.99 | 279.45 |
| Direct Operating expenses from property that generated rental income | 30.89 | 32.73 |
| Profit from Investment Properties before Depreciation | 253.10 | 246.72 |
| Depreciation | 111.91 | 122.83 |
| Profit from Investment Properties | 141.19 | 123.89 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

ii) Fair Value

| Particulars | As at | As at |
|-----------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Investment Properties | 8,517.40 | 8,396.12 |

Estimation of Fair value :

The above valuation of the Investment Properties (except for Investment Property situated outside India) are in accordance with the Ready Reckoner rates as prescribed by the Government of Maharashtra for the Purpose of levying Stamp Duty. Since the valuation is based on the Published Ready Reckoner rates , the Group has classified the same under level -2. In case of Investment Property situated outside India, the management is of the Opinion that, in absence of Comparable market prices , the fair value of Investment properties cannot be reasonably determined but are considered to be atleast equal to their original Cost of Purchase .The Investment Property (Residential Flat) situated at UAE is registered in the name of the directors and is held in trust for and on behalf of the Group.

iii) Leasing arrangements

The Group has entered in to various a non cancellable leasing agreements . There is an escalation clause in the lease agreement during the lease year in line with expected general inflation. There are no restrictions imposed by lease arrangements . There are no contingent rents. The Total Future minimum lease rentals receivable at the Balancesheet date are as Under (for Non Cancellable Lease Period only)

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Within one year | 89.57 | 59.24 |
| Later than one year but not later than 5 years | 19.64 | 57.25 |
| Later than 5 years | - | - |

Note 5 : Intangibe Assets

| Particulars | Non Competition Fees | Computer Software * | Goodwill | Total |
|---|----------------------|---------------------|---------------|-----------------|
| Year Ended 31st March , 2023 | | | | |
| Gross Carrying Amount | | | | |
| Opening Gross Carrying Amount | 37.90 | 935.63 | 153.75 | 1,127.28 |
| Adjustments due to Foreign Currency Translations | 3.19 | - | 12.82 | 16.01 |
| Additions during the year | - | 172.48 | - | 172.48 |
| Transfer to Assets Classified as "Held for Sale" (Refer Note No 10) | - | - | - | - |
| Closing Gross Carrying Amount | 41.09 | 1,108.11 | 166.57 | 1,315.77 |
| Accumulated Amortisation | | | | |
| Opening Accumulated Amortisation | 37.90 | 800.18 | - | 838.08 |
| Adjustments due to Foreign Currency Translations | 3.19 | - | - | 3.19 |
| Amortisation charge for the year for Continuing Operations | - | 133.75 | - | 133.75 |
| Closing Accumulated Amortisation | 41.09 | 933.93 | - | 975.02 |
| Closing Net Carrying Amount | - | 174.18 | 166.57 | 340.75 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Non Competition Fees | Computer Software * | Goodwill | Total |
|--|----------------------|---------------------|---------------|-----------------|
| Year Ended 31st March , 2022 | | | | |
| Gross Carrying Amount | | | | |
| Opening Gross Carrying Amount | 36.56 | 750.94 | 151.70 | 939.20 |
| Adjustments due to Foreign Currency Translations | 1.34 | 0.01 | 2.05 | 3.40 |
| Additions during the year | - | 184.68 | - | 184.68 |
| Closing Gross Carrying Amount | 37.90 | 935.63 | 153.75 | 1,127.28 |
| Accumulated Amortisation and Impairment | | | | |
| Opening Accumulated Amortisation | 35.34 | 692.64 | - | 727.98 |
| Adjustments due to Foreign Currency Translations | 1.32 | 0.01 | - | 1.33 |
| Amortisation Charge for the year-Continuing Operations | 1.24 | 107.53 | - | 108.77 |
| Closing Accumulated Amortisation | 37.90 | 800.18 | - | 838.08 |
| Closing Net Carrying Amount | - | 135.45 | 153.75 | 289.20 |

* Computer Software includes expenditure on computer software which is not an integral part of hardware

Note - 6 : Financial Assets

Note -6(a) Non Current Investments

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Investment in Equity Instruments (Fully Paid up , unless otherwise stated) | | |
| Investment in Associates (Un Quoted) (Using Equity Method) | | |
| Capital Account in Benten Technologies LLP (At Cost) | 0.50 | 0.50 |
| Less : Share of opening Accumulated loss | 0.08 | 0.06 |
| Less : Share of Loss for the current year | 0.02 | 0.02 |
| Carrying Amount of Investment | 0.40 | 0.42 |
| Partners 1) Technocraft Industries India Limited & 2) Mr Sanjeev Sinha Total Fixed Capital of the Firm is ₹ 1 Lakh.. (% of Share in Profit / Loss is 50% of Technocraft Industries India Limited & 50% of Mr Sanjeev Sinha) | | |
| Investment In Equity Instrument of Co-operative Societies - (At Fair Value through Profit & Loss) | | |
| Unquoted | | |
| 30 (P.Y : 30) shares of Mittal Court Premises Co-Op. Society Ltd. | 0.02 | 0.02 |
| 15 (P.Y : 15) shares of Udit Mittal Court Industrial Premises Co-Op. Society Ltd. | 0.01 | 0.01 |
| NIL (P.Y: 10) shares of Green Lawns Co-op Society Ltd. | - | 0.01 |
| Total (Equity Instruments) | 0.03 | 0.04 |
| Investment In Mutual Funds (At Fair value through Profit and loss) | | |
| Un Quoted | | |
| 1,96,25,652.993 (P.Y 1,96,25,652.993) Units of ₹ 10/- each of HDFC Corporate Bond Fund | 5,334.25 | 5,128.78 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| 1,30,86,264.657 (P.Y 2,83,14,405.527) Units of ₹ 10/- each of SBI Corporate Bond Fund | 1,709.60 | 3,561.83 |
| 39,218.927 (P.Y 39,218.927) Units of ₹ 10/- each of SBI Banking & PSU Fund | 1,034.64 | 999.44 |
| 1,49,99,250.037 (P.Y 1,49,99,250.037) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1857 Days | 1,647.94 | 1,593.36 |
| 48,73,541.922 (48,73,541.922) Units of ₹ 10/- each of HDFC Medium Term Debt Fund # | 2,309.26 | 2,229.82 |
| 17,47,797.669 (69,68,292.700) Units of ₹ 10/- each of Kotak Balanced Advantage Fund | 261.70 | 1,003.99 |
| 90,07,522.820 (90,07,522.820) Units of ₹ 10/- each of Kotak Medium Term Fund | 1,706.16 | 1,656.00 |
| 1,49,99,250.037 (1,49,99,250.037) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1855 Days | 1,623.20 | 1,569.12 |
| 96,77,600.725 (58,38,726.330) Units of ₹ 10/- each of SBI Balanced Advantage Fund | 1,066.10 | 606.22 |
| 2,39,98,800.060 (2,39,98,800.060) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1850 Days | 2,595.16 | 2,508.04 |
| 17,68,899.429 (17,68,899.429) Units of ₹ 10/- each of SBI International Access -US Equity FoF | 199.15 | 212.05 |
| 93,90,910.470 (P.Y 93,90,910.470) units of ₹ 10/- each of HDFC Corporate Bond Fund -Growth | 2,552.45 | 2,454.14 |
| 2,99,86,502.093 (P.Y NIL) Units of ₹ 10/- each of Kotak Nifty SDL April 2027 Index Fund | 3,108.93 | - |
| 2,47,73,352.887 (P.Y NIL) Units of ₹ 10/- each of SBI Crisil IBX SDL Index -Sept 2027 Fund | 2,572.27 | - |
| 47,69,980.072 (P.Y NIL) Units of ₹ 10/- each of SBI Crisil IBX GILT INDEX -June 2036 Fund | 499.21 | - |
| NIL (P.Y 30,01,586.674) Units of ₹ 10/- each of HDFC Dividend Yield Fund | - | 436.04 |
| 1,35,661.860 (P.Y 1,35,661.860) Units of ₹ 10/- each of HDFC Medium Term Debt Fund Growth | 64.27 | 62.07 |
| NIL (P.Y 16,35,890.908) Units of ₹ 10/- each of Invesco Global Trends Fund --Regular | - | 130.95 |
| 7,45,193.265 (P.Y NIL) Units of ₹ 10/- each of HDFC Nifty G Sec Sept 2032 Index Fund | 76.18 | - |
| 21,86,883.485 (P.Y NIL) Units of ₹ 10/- each of SBI Crisil IBX Gilt Index June 20236 Fund | 228.87 | - |
| 146,145.126 (P.Y NIL) Units of ₹ 10/- each of HDFC Focussed 30 Fund | 192.08 | - |
| Total (Mutual Funds) | 28,781.42 | 24,151.85 |
| Total Non - Current Investments | 28,781.85 | 24,152.31 |
| Aggregate Amount of Unquoted Investments | 28,781.85 | 24,152.31 |

Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Non Current Investments Lien as on 31st March 2023 is ₹ 2309.26 Lakhs (P.Y Nil) .Also refer Note No 31 for details of Investments Pledged as Security.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note 6(a) Current Investments

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Investment In Mutual Funds (At Fair value through Profit and loss) | | |
| Un quoted | | |
| NIL (P.Y 29,04,528.315) units of ₹ 10/- Each of HDFC Monthly Income Plan. | - | 1,737.93 |
| NIL (P.Y 65 ,52,921.437) units of ₹ 10/- each of ICICI Prudential Regular Saving Fund | - | 3,661.71 |
| 10,42,505.059 (P.Y 74,51,232.489) units of ₹ 10/- each of HDFC Equity Saving Fund -Growth # | 525.12 | 3,597.38 |
| NIL (P.Y 14,18,037.436) units of ₹ 10/- each of HDFC Equity Saving Fund -DG | - | 743.26 |
| NIL (P.Y 4,41,930.352) Units of ₹ 10/- each of ICICI Prudential Balanced Fund | - | 998.59 |
| NIL (P.Y 48,70,208.867) units of ₹ 10/- each of ICICI Prudential Equity Income Fund | - | 837.68 |
| NIL (P.Y 95,10,359.729) Units of ₹ 10/- each of SBI Equity Saving Fund | - | 1,710.38 |
| NIL (P.Y 70,00,000) Units of ₹ 10/- each of HDFC FMP 1487 D August 2018 | - | 965.19 |
| NIL (P.Y 50,00,000) Units of ₹ 10/- each of HDFC FMP 1190 D January 2019 | - | 641.40 |
| 79,960.643 (P.Y 37,816.985) Units of ₹ 10/- each of HDFC Equity Fund | 896.77 | 382.44 |
| 39,11,913.847(P.Y 34,99,580.334) Units of ₹ 10/- each of HDFC Equity Saving Fund | 1,990.36 | 1,706.64 |
| 43,55,340.147 (NIL) Units of ₹ 10/- each of HDFC Dividend Yield Fund | 682.96 | - |
| 16,35,890.908 (P.Y NIL) Units of ₹ 10/- each of Invesco Global Trends Fund --Regular | 106.47 | - |
| NIL (P.Y 20,00,000) Units of ₹ 10/- each of HDFC FMP 1126 D March 2019 | - | 251.77 |
| NIL (P.Y 20,00,000) Units of ₹ 10/- each of FMP 1182 D January 2019 | - | 256.09 |
| NIL (P.Y 20,00,000) Units of ₹ 10/- each of HDFC FMP 1260 D October 2018 | - | 263.13 |
| Total (Mutual Funds) | 4,201.68 | 17,753.59 |
| Investment in Equity Instruments | | |
| Investment In Equity Shares (At Fair value through Profit and loss) | | |
| Quoted | | |
| 3,080 (P.Y 3,080) Shares of ₹ 10/- each of Avenue Supermarkets Limited | 104.82 | 123.18 |
| Total (Equity Instruments) | 104.82 | 123.18 |
| Total Current Investments | 4,306.50 | 17,876.77 |
| Aggregate Amount of Unquoted Investments | 4,201.68 | 17,753.59 |
| Aggregate Amount of Quoted Investments | 104.82 | 123.18 |
| Aggregate Market value of Quoted Investments | 104.82 | 123.18 |

Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Current Investments Lien as on 31st March 2023 is ₹ 525.12 Lakhs (P.Y Nil).Also refer Note No 31 for details of Investments Pledged as Security.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note - 6(b) : Other Financial Assets

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|-----------------|------------------------|---------------|
| | Current | Non - Current | Current | Non - Current |
| Security Deposits | 316.69 | 456.34 | 371.09 | 447.53 |
| Bank deposits with more than 12 months maturity * | - | 2,948.96 | - | 189.20 |
| Other Receivables | 721.28 | - | 1,138.37 | - |
| Total Other Financial Assets | 1,037.97 | 3,405.30 | 1,509.46 | 636.73 |

* Bank Deposits are Pledged against Bank Overdraft/ Bank Guarantee. Also refer Note No 31 for details of Bank deposits Pledged as Security.

Note - 6(c) : Trade Receivables

| Particulars | As at | As at |
|--|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Trade Receivables (other than related Parties) | 41,961.82 | 45,680.96 |
| Receivables from Related Parties (Also Refer Note No 33 for Related Party Transactions) | - | - |
| Trade Receivables which have significant increase in credit risk | - | - |
| Trade Receivables -Credit Impaired | - | - |
| Less : Allowance for doubtful trade Receivables | - | - |
| Total Receivables | 41,961.82 | 45,680.96 |
| Current Portion | 41,961.82 | 45,680.96 |
| Non - Current Portion | - | - |
| Break-up of Security details | - | - |
| Secured , Considered good | - | - |
| Unsecured , Considered good | 41,961.82 | 45,680.96 |
| Doubtful | - | - |
| Total | 41,961.82 | 45,680.96 |
| Allowances for doubtful debts | - | - |
| Total Trade Receivables | 41,961.82 | 45,680.96 |

No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.

Also refer Note No 31 regarding Hypotheciation of Debts to various banks against availing Working Capital Facilities

Trade Receivables ageing as at 31st March, 2023 (outstanding for following periods from due date of payment)

| Particulars | Not due | Less than 6 Months | 6 Months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|---------|--------------------|------------------|-----------|-----------|-------------------|-------|
| | | | | | | | |
| Undisputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Not due | Less than 6 Months | 6 Months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|------------------|--------------------|------------------|--------------|---------------|-------------------|------------------|
| Disputed Trade Receivables -Considered Good | | 139.79 | 37.08 | 81.39 | 147.59 | - | 405.85 |
| Disputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Total | 24,193.11 | 13,776.80 | 3,762.93 | 81.39 | 147.59 | - | 41,961.82 |

Trade Receivables ageing as at 31st March, 2022' (outstanding for following periods from due date of payment)

| Particulars | Not due | Less than 6 Months | 6 Months -1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|------------------|--------------------|------------------|---------------|-----------|-------------------|------------------|
| Undisputed Trade Receivables -Considered Good | 31,515.91 | 13,064.69 | 630.77 | | | | 45,211.37 |
| Undisputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Considered Good | | 69.30 | 82.07 | 318.22 | | | 469.59 |
| Disputed Trade Receivables -Which have significant increase in Credit Risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables -Credit Impaired | - | - | - | - | - | - | - |
| Total | 31,515.91 | 13,133.99 | 712.84 | 318.22 | - | - | 45,680.96 |

Note - 6(d) : Cash and Cash Equivalents

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|-----------------------|-----------------------|
| Balances with Banks - In current accounts | 16,859.11 | 7,005.17 |
| Cash on Hand | 47.53 | 169.50 |
| Total Cash and Cash Equivalents | 16,906.64 | 7,174.67 |

Note - 6(e) : Other Bank Balances

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|-----------------------|-----------------------|
| In Unclaimed Dividend Accounts | 2.40 | 4.91 |
| Fixed Deposit (Maturity Between 3 to 12 Months) (Also Refer Note No 31 for Fixed Deposits Pledged as Security) | 1,201.37 | 2,883.28 |
| Total Other Bank Balances | 1,203.77 | 2,888.19 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note - 6(f) : Loans

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|------------------------|---------------|------------------------|---------------|
| | Current | Non - Current | Current | Non - Current |
| Loans To Employees | 181.10 | - | 91.35 | - |
| Loans to Related Parties (Also Refer Note No 33 for Related Party Transactions) | 240.17 | - | 208.36 | - |
| Loan to Outsiders | 986.22 | - | 2,163.88 | - |
| Total Loans | 1,407.49 | - | 2,463.59 | - |

| Break up | As at | |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Loan Considered good-Secured | - | - |
| Loan Considered good-Unsecured | 1,407.49 | 2,463.59 |
| Loans which have significant increase in credit risk | - | - |
| Loans -credit impaired | - | - |
| Total | 1,407.49 | 2,463.59 |
| Less Allowance for Doubtful Loans | - | - |
| Total Loans | 1,407.49 | 2,463.59 |

Details of Loan Granted to Related Parties that are repayable on demand are as Under

| Type of Borrower | As at 31st March, 2023 | | As at 31st March, 2022 | |
|-------------------------|---|--|---|--|
| | Amount of loan or advance in the nature of loan outstanding | % of total loans and advances in the nature of Loans | Amount of loan or advance in the nature of loan outstanding | % of total loans and advances in the nature of Loans |
| Loan to Related Parties | 240.17 | 17.06 | 208.36 | 8.46 |
| Total | 240.17 | 17.06 | 208.36 | 8.46 |

Note - 7 : Other Non Current Assets

| Particulars | As at | |
|---------------------------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Capital Advances | 2,141.03 | 1,446.13 |
| Other Assets | 21.71 | 21.21 |
| Total Other Non Current Assets | 2,162.74 | 1,467.34 |

Note - 8 : Inventories

| Particulars | As at | |
|------------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Raw Material | 19,489.77 | 14,735.27 |
| Work in Progress | 9,154.89 | 7,482.02 |
| Finished Stock (Goods) | 47,129.85 | 29,748.51 |
| Stores and Spares | 2,365.78 | 2,204.65 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at | As at |
|--------------------------|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Scrap | 527.73 | 196.71 |
| Fuel & Oil | 92.35 | 299.74 |
| Packing Materials | 221.52 | 299.69 |
| Total Inventories | 78,981.89 | 54,966.59 |

Also Refer Note No 31 for details of Inventories Pledged as Securities

Note - 9 : Other Current Assets

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Prepaid Expenses | 1,110.56 | 1,234.85 |
| Balance with Statutory authorities | 4,679.69 | 3,721.33 |
| Advance Expenditure on Corporate Social Responsibility (Refer Note No 40) | 250.00 | 149.77 |
| Others | 2,088.72 | 2,877.76 |
| Total Other Current Asset | 8,128.97 | 7,983.71 |

Note 10 : Assets Classified as Held for Sale

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Net Carrying Value transferred from Property , Plant & Equipment & Intangible Assets (Refer Note No 3 & 5) | 507.36 | 810.57 |
| Add Reversal of Impairment Loss recognised in earlier years | 500.00 | - |
| Less Net Carrying Value of Assets sold during the year | 698.92 | 299.40 |
| Less Transferred to Property , Plant & Equipment (Refer Note 3) | - | 3.81 |
| Net Value of Assets Classified as Held for Sale | 308.44 | 507.36 |
| Net Value of Assets Classified as Held for Sale -Continuing Operations | 5.15 | 6.96 |
| Net Value of Assets Classified as Held for Sale -Discontinued Operations | 303.29 | 500.40 |

Note - 11 : Equity Share Capital & Other Equity

Note - 11 (a) : Equity Share Capital

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Authorised | | |
| 4,00,00,000 (P.Y. 4,00,00,000) Equity Shares of ₹.10/- Each. | 4,000.00 | 4,000.00 |
| | 4,000.00 | 4,000.00 |
| Issued, Subscribed and Fully Paid Up | | |
| 2,29,61,687 (P.Y 2,44,61,687) Equity Shares of ₹.10/- Each Fully Paid Up | 2,296.17 | 2,446.17 |
| | 2,296.17 | 2,446.17 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

a). Terms / rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹. 10 /-per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation , the holder 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.

b). Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

| Name of the Party | Equity Shares | | | |
|---|------------------------|--------------|------------------------|--------------|
| | As on 31st March, 2023 | | As on 31st March, 2022 | |
| | Number | ₹ (in Lakhs) | Number | ₹ (in Lakhs) |
| Shares outstanding at the beginning of the year | 24,461,687 | 2,446.17 | 24,461,687 | 2,446.17 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | 1,500,000 | 150.00 | - | - |
| Shares outstanding at the end of the year | 22,961,687 | 2,296.17 | 24,461,687 | 2,446.17 |

c). Details of Shareholders holding more than 5% shares in the company:

| Name of the Sharholder | Equity Shares | | | |
|------------------------------|------------------------|--------------|------------------------|--------------|
| | As on 31st March, 2023 | | As on 31st March, 2022 | |
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Sudarshan Kumar Saraf | 6,432,349 | 28.01 | 6,794,903 | 27.78 |
| Shakuntala Saraf | 4,894,020 | 21.31 | 5,169,867 | 21.13 |
| Sharad Kumar Madhoprasad HUF | 2,087,695 | 9.09 | 2,205,366 | 9.02 |
| Navneet Kumar Saraf | 1,337,685 | 5.83 | 1,413,082 | 5.78 |

d). The Holding Company has not issued any equity shares as bonus or for Consideration other than cash and has bought back 15,00,000 /- equity Shares during the Period of five years immediately preceeding 31st March 2023. The said equity shares were bought back on 24-2-2023

e) Shares held by Promoter's & Promoter Group at the end of the year

As at 31st March, 2023

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Change during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf | 6,794,903 | 362,554 | 6,432,349 | 28.01 | 5.34 |
| Shakuntala Saraf | 5,169,867 | 275,847 | 4,894,020 | 21.31 | 5.34 |
| Sharad Kumar Saraf HUF | 2,205,366 | 117,671 | 2,087,695 | 9.09 | 5.34 |
| Navneet Kumar Saraf | 1,413,082 | 75,397 | 1,337,685 | 5.83 | 5.34 |
| Sharad Kumar Saraf | 406,840 | 21,707 | 385,133 | 1.68 | 5.34 |
| Suman Saraf | 117,332 | 6,260 | 111,072 | 0.48 | 5.34 |
| Sudarshan Kumar Saraf HUF | 74,797 | 3,990 | 70,807 | 0.31 | 5.33 |
| Ritu Saraf | 156,464 | 8,348 | 148,116 | 0.65 | 5.34 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Change during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|------------------------|-------------------------------------|-------------------|---------------------------|
| Ashish Kumar Saraf | 504,914 | 26,940 | 477,974 | 2.08 | 5.34 |
| Nidhi Saraf | 543,337 | 28,990 | 514,347 | 2.24 | 5.34 |
| Priyanka Saraf | 500,000 | 26,678 | 473,322 | 2.06 | 5.34 |
| Ashrit Holdings Limited | 380,446 | 180,230 | 200,216 | 0.87 | 47.37 |
| Total | 18,267,348 | 1,134,612 | 17,132,736 | 74.61 | - |

As at 31st March, 2022

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Change during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf | 6,794,903 | - | 6,794,903 | 27.78 | - |
| Shakuntala Saraf | 5,169,867 | - | 5,169,867 | 21.13 | - |
| Sharad Kumar Saraf HUF | 2,205,366 | - | 2,205,366 | 9.02 | - |
| Navneet Kumar Saraf | 1,413,082 | - | 1,413,082 | 5.78 | - |
| Sharad Kumar Saraf | 406,840 | - | 406,840 | 1.66 | - |
| Suman Saraf | 117,332 | - | 117,332 | 0.48 | - |
| Sudarshan Kumar Saraf HUF | 74,797 | - | 74,797 | 0.31 | - |
| Ritu Saraf | 156,464 | - | 156,464 | 0.64 | - |
| Ashish Kumar Saraf | 504,914 | - | 504,914 | 2.06 | - |
| Nidhi Saraf | 543,337 | - | 543,337 | 2.22 | - |
| Priyanka Saraf | 500,000 | - | 500,000 | 2.04 | - |
| Ashrit Holdings Limited | 380,446 | - | 380,446 | 1.56 | - |
| Total | 18,267,348 | - | 18,267,348 | 74.68 | - |

Note - 11 (b) : Other Equity

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---------------------------------------|-----------------------|-----------------------|
| Capital Redemption Reserve | 859.01 | 709.01 |
| Others : | | |
| Capital Reserve | 76.53 | 76.53 |
| Securities Premium | 459.12 | 459.12 |
| General Reserve | 13,482.44 | 13,632.44 |
| Retained Earnings | 125,194.12 | 116,665.70 |
| Foreign Currency Translation Reserves | (785.67) | (322.13) |
| Total Reserves and Surplus | 139,285.55 | 131,220.67 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Capital Redemption Reserve

Represent Reserve created during the buyback of Equity Shares and it is non distributable Reserve

Capital Reserve

During amalgamation / merger approved by Honourable Court, the excess of net assets taken over the Consideration paid , if any, is treated as Capital Reserve .

Securities Premium

The amount received in excess of Face value of the equity shares is recognised in securities premium.

General Reserve

The reserve arises on transfer portion of the net profit pursuant to the earlier Provisions of the Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Foreign Currency translation reserve

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The Cumulative amount is reclassified to statement of profit and Loss when net investments is disposed off or Clasified as held for sale

Note - 12 (a) : Non Current Borrowings

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Secured | | |
| Term Loans | | |
| From banks | | |
| ICICI Bank Rupee Term Loan (I) | 3.96 | 13.72 |
| ICICI Bank Rupee Term Loan (II) | 21.28 | 36.84 |
| Kotak Mahindra Bank Rupee Term Loan | 2,910.38 | 4,570.10 |
| State Bank of India Car Loan | 17.76 | 38.44 |
| HDFC Bank Rupee Term Loan | 9.49 | - |
| HSBC Bank Rupee Term Loan | - | 114.35 |
| Royal Bank of Scotland ,Manchester Term Loan | - | 10.77 |
| Total Non Current Borrowings | 2,962.87 | 4,784.22 |

I. Nature of Security & Terms of Borrowing

- Term Loan From ICICI Bank (I+II) is Secured against Fixed Deposits .Term Loan from ICICI Bank (I) is Repayable in 20 Quarterly equal Installments starting from 31-3-2020 & ending on 28-2-2025 . Rate of Interest is 9.10 % p.a as at the year end.(31st March 2022 : 7.95 % p.a). Term Loan from ICICI Bank (II) is Repayable in 20 Quarterly equal Installments starting from 30-9-2020 & ending on 31-8-2025 . Rate of Interest is 9.55 % p.a as at the year end.(31st March 2022 : 8.00 % p.a)
- Term Loan From Kotak Mahindra Bank is Secured by way of Hypothecation over Plant & Machinery & Equipment acquired out of the said Loan & also by way of Equitable Mortgage over Specific Immovable Properties of Textile Division situated at Amravati (Yarn Division).It is Repayable in 20 Quarterly equal Installments starting from 05.01.2021 & ending on 05.10.2025 . Rate of Interest is 8.95 % p.a. as at the year end.(31st March 2022: 7.10% p.a)



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

3. Car Loan from State Bank of India is Secured by way of Hypothecation over Motor Car acquired out of the said Loan. It is repayable in 36 Quarterly equal Monthly Installments starting from 8-4-2022 & ending on 8-3-2025. Rate of Interest is 7.25% p.a as at the year end .(31st March 2022: 7.25% p.a)
 4. Term Loan from HDFC Bank is secured by way of Hypothecation over Plant & Machinery acquired out of the said Loan & also by way of Pari Passu Charge on Factory Land & Building of Amravati Unit and also by way of Second charge on Hypothecation of Stock & Book Debts of the Company and Corporate Guarantee of the Parent Company. Letter of Credit Facility from HDFC Bank is secured against Specific Investments of the Parent Company. It is Repayable in 20 Quarterly Equal Installments starting from 31-12-2026 & ending on 30-09-2031. Rate of Interest is 8.05% p.a as the year end.
 5. Term Loan from HSBC Bank is Secured by way of PariPassu Charge on Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Specific Immovable Properties of Scaffolding Division situated at Murbad .It is Repayable in 20 Quarterly equal Installments starting from 27.09.2019 & ending on 27.06.2024 . Rate of Interest is 9.48 % p.a as at the year end.(31st March 2022 : 7.65% p.a)
 6. Term Loan from Royal Bank of Scotland - Manchester is secured by first legal charge over the free hold property & Other Fixed Assets of Technocraft International Limited situated at UK. The Loan is repayable in monthly installments upto 30th June 2024. Rate of Interest 2.00% p.a.
- II. Quarterly Statements of Current Assets filed by the Group with Banks (where ever applicable) are in agreement with the Books of Accounts.

Note 12(a) : Current Borrowings

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Secured | | |
| From banks | | |
| 1. H.D.F.C. Bank- Overdraft | 757.27 | 1,063.45 |
| 2.H.D.F.C Bank Working Capital Loan | 1,500.00 | 1,500.00 |
| 3.H.D.F.C. Bank - Rupee Packing Credit | 17,496.46 | 12,599.86 |
| 4.Kotak Mahindra Bank Rupee Packing Credit | 8,177.62 | 6,181.16 |
| 5.Kotak Mahindra Bank Working Capital Loan | 20.66 | 20.46 |
| 6.DBS Bank Rupee Packing Credit | 3,902.71 | 2,113.26 |
| 7.DBS Bank Foreign Currency (\$) Packing Credit | - | 1,743.17 |
| 8.ICICI Bank Rupee Packing Credit | 5,048.00 | - |
| 9.ICICI Bank Working Capital Loan | 86.61 | 5.19 |
| 10.ICICI Bank Overdraft | - | 1.03 |
| 11.Industrial & Commercial Bank of China | 1,194.75 | 1,193.75 |
| 12.Citi Bank (Poland,China & USA) | 9,702.19 | 12,446.09 |
| 13.HSBC Rupee Packing Credit | 2,000.00 | - |
| 14.HSBC Working Capital Loan (USA, UK & Newzeland) | 2,716.87 | - |
| 15.Current Maturity on Long Term Borrowings | 1,858.86 | 1,889.81 |
| Unsecured | | |
| From banks | | |
| 1.Axis Bank Rupee Packing Credit | 7,500.00 | 2,000.00 |
| 2.Axis Bank Foreign Currency (\$) Packing Credit | - | 2,955.81 |
| 3.HSBC Bank (Vendor Discounting) | 582.05 | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| 4.IDFC Bank Working Capital Loan | - | 5.23 |
| From Others (Terms of Repayment -On Demand) | | |
| 1.From Others | 74.24 | 112.01 |
| Total Current Borrowings | 62,618.29 | 45,830.28 |

I. Nature of Security

1. Overdraft From H.D.F.C Bank is Secured Against Fixed Deposits of the Group.
2. Working Capital Loan From HDFC Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Group Specific Immovable Properties of Scaffolding Division situated at Murbad.
3. Export Packing Credit Against Confirmed Orders From HDFC Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Group Specific Immovable Properties of Scaffolding Division Situated at Murbad.
4. Export Packing Credit Against Confirmed Orders From Kotak Mahindra Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad & Amravati (Yarn Division)
5. Working Capital Loan From Kotak Mahindra Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad & Amravati (Yarn Division)
6. Export Packing Credit (Rupee) Against Confirmed Orders From DBS Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Drum Closure Division situated at Murbad
7. Export Packing Credit (\$) Against Confirmed Orders From DBS Bank was Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Drum Closure Division situated at Murbad
8. Export Packing Credit Against Confirmed Orders from ICICI Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad.
9. Working Capital Loan from ICICI Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad.
10. Overdraft from ICICI Bank was Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad.
11. Working Capital Loan from Industrial & Commercial Bank of China is secured by way of charge over Leasehold Land & Factory Building situated at China
12. Working Capital Loan From Citi Bank (Poland , China & USA) are secured by way of SBLC/Corporate Guarantee given by Parent Company.Loan from Citi Bank (USA) is also additionally secured against the Floating assets of the AAIT /Technocraft Scaffold Distribution LLC situated at USA.
13. Export Packing Credit Against Confirmed Orders From HSBC Bank was Secured Against the Hypothecation of Stock & Book Debts Both Present & Future And Fixed Assets & Equitable Mortgage of the Group Specific Immovable Properties of Scaffolding Division situated at Murbad
14. Working Capital Loan From HSBC Bank (USA ,UK & Newzeland) are secured by way of Corporate Guarantee given by Parent Company. Loan from HSBC Bank (USA) is also additionally secured against the Floating assets of the AAIT /Technocraft Scaffold Distribution LLC situated at USA .Loan from HSBC Bank (UK) is also additionally secured by way of Mortgage and General Charge (Debentures) on the Group Fixed and Floating Assets situated at UK.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

II. Quarterly Statements of Current Assets filed by the Group with Banks (where ever applicable) are in agreement with the Books of Accounts.

Note - 12 (b) : Other Non Current Financial Liabilities

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Security Deposits | 23.81 | 23.94 |
| Other Liabilities | 105.97 | 97.74 |
| Total Other Non Current Financial Liabilities | 129.78 | 121.68 |

Note - 12 (b) : Other Current Financial Liabilities

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Security Deposits | 728.93 | 405.29 |
| Liabilities For Expenses | 2,878.31 | 2,624.36 |
| Lease Liability (refer Note 39) | 39.24 | - |
| Unclaimed Dividend | 2.40 | 4.91 |
| Total Other Current Financial Liabilities | 3,648.88 | 3,034.56 |

Note - 12 (c) : Trade Payables

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Current | | |
| Amount due to related parties | 2,608.10 | 2,426.19 |
| Total outstanding dues of micro and small enterprises | 52.10 | 59.13 |
| Others | 11,808.58 | 11,676.33 |
| Total Trade Payables | 14,468.78 | 14,161.65 |

Dues to Micro and Small Enterprises

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures Pursuant to the said MSMED Act are as Follows

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| The Principal amount remaining unpaid to any supplier at the end of the year | 52.10 | 59.13 |
| Interest due remaining unpaid to any supplier at the end of the year | - | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act , 2006, along with the amount of the payment made to the Supplier beyond the appointed day during the year | - | - |
| 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 year) 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 | - | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at | As at |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| The 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 enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act , 2006 | - | - |

Note-Disclosure of payable to vendors as defined under the “Micro , Small and Medium Enterprise Development Act, 2006” is based on the information available with the Group regarding the Status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on Balance brought forward from previous year.

Trade Payables Ageing as at 31st March 2023 (outstanding from due date of Payment)

| Particulars | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|---|------------------|-----------|-----------|-------------------|------------------|
| | Total Outstanding dues of micro enterprises and small enterprises | 52.10 | - | - | - | - |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 9,894.06 | 4,522.62 | - | - | - | 14,416.68 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro and small enterprises | - | - | - | - | - | - |
| Total | 9,946.16 | 4,522.62 | - | - | - | 14,468.78 |

Trade Payables Ageing as at 31st March 2022 (outstanding from due date of Payment)

| Particulars | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|---|------------------|-----------|-----------|-------------------|------------------|
| | Total Outstanding dues of micro enterprises and small enterprises | 59.13 | - | - | - | - |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 12,450.83 | 1,651.69 | - | - | - | 14,102.52 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro and small enterprises | - | - | - | - | - | - |
| Total | 12,509.96 | 1,651.69 | - | - | - | 14,161.65 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note - 13 : Provisions

| Particulars | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---------------------------------------|------------------------|-----------------|------------------------|-----------------|
| | Current | Non - Current | Current | Non - Current |
| Provision For Leave Salary Encashment | 69.46 | 438.11 | 85.76 | 435.20 |
| Provision For Gratuity | 172.20 | 1,934.45 | 169.54 | 1,912.90 |
| Total Provisions | 241.66 | 2,372.56 | 255.30 | 2,348.10 |

Also Refer Note No 34 of Employee Benefits

Note - 14 : Deferred Tax Liabilities (net)

The balance comprises temporary differences attributable to :

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Property , Plant & Equipment , Intangible Assets & Investment Properties | 593.14 | 436.04 |
| Employee Benefits | (651.23) | (654.75) |
| Investments | 612.90 | 1,148.41 |
| Tax Loss | (220.30) | (238.45) |
| Others | 35.38 | 30.19 |
| Net Deferred Tax Liabilities | 369.89 | 721.44 |

Note - 15 : Other Non Current Liabilities

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Deferred Government Grant | 397.00 | 646.68 |
| Total Other Non Current Liabilities | 397.00 | 646.68 |

Note - 16 : Current Tax Liabilities (Net)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Provision For Taxation | 26,801.45 | 37,947.72 |
| Less : Advance Tax | 25,532.80 | 36,629.29 |
| Total Current Tax Liabilities (net) | 1,268.65 | 1,318.43 |

Note - 17 : Other Current Liabilities

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| Advance From Customers | 2,455.36 | 1,240.17 |
| Deferred Government Grant | 249.68 | 233.70 |
| Other Liabilities | 1,004.66 | 911.30 |
| Total Other Current Liabilities | 3,709.70 | 2,385.17 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note - 18 : Revenue from Continuing Operations

| Particulars | Year Ended | Year Ended |
|---|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Sale of products | 170,411.08 | 167,275.14 |
| Rendering of Services | 15,281.92 | 12,356.82 |
| Other Operating Revenue | 12,760.19 | 11,478.54 |
| Total Revenue from Continuing Operations | 198,453.19 | 191,110.50 |

Disaggregation of Revenue

Revenue based on Geography

| Particulars | Year Ended | Year Ended |
|--|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Domestic | 69,475.36 | 61,742.79 |
| Export # | 128,977.83 | 129,367.71 |
| Total Revenue from operations as per statement of Profit & Loss | 198,453.19 | 191,110.50 |

Export incentives has been included in Export Revenue

Revenue based on Business Segment

| Particulars | Year Ended | Year Ended |
|--|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Drum Closure | 53,302.00 | 58,265.70 |
| Scaffolding | 88,924.98 | 70,699.72 |
| Yarn | 25,146.59 | 26,265.22 |
| Fabric | 17,607.92 | 25,181.49 |
| Engineering & Design | 13,449.34 | 10,681.45 |
| Others | 22.36 | 16.92 |
| Total Revenue from operations as per Statement of Profit & Loss | 198,453.19 | 191,110.50 |

Contract Balances

| Particulars | As at | As at |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Trade Receivables | 41,961.82 | 45,680.96 |
| Contract Liabilities (Advances from Customers) | 2,455.36 | 1,240.17 |

Reconciling the Amount of Revenue recognised in the statement of Profit & Loss with the Contracted Prices

| Particulars | Year Ended | Year Ended |
|--|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Contract Price | 198,836.81 | 191,393.44 |
| Less Discount , Claims , credits , Returns etc | 383.62 | 282.94 |
| Total Revenue from operations as per statement of Profit & Loss | 198,453.19 | 191,110.50 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note - 19 : Other Income

| Particulars | Year Ended | Year Ended |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Rental Income | 310.34 | 309.46 |
| Interest income | 336.00 | 210.29 |
| Net Gain on financial assets measured at fair value through profit and loss | 1,190.12 | 2,610.16 |
| Net Gain on Disposal of Investments measured at fair value through profit and loss | 719.10 | 164.26 |
| Profit on Sale of Fixed Assets | 148.35 | 93.88 |
| Net Foreign Exchange Gain | 1,572.30 | 130.21 |
| Amortisation of Grant | 233.70 | 231.15 |
| Other Non-Operating Income | 526.90 | 995.19 |
| Total Other Income | 5,036.81 | 4,744.60 |

Note - 20 : Cost of Material Consumed & Engineering & Design Charges

| Particulars | Year Ended | Year Ended |
|---|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Raw Materials at the Beginning of the year | 14,735.27 | 11,042.40 |
| Add : Purchases (net) # | 98,743.78 | 86,448.24 |
| | 113,479.05 | 97,490.64 |
| Less : Raw Material at the end of the Year | 19,489.77 | 14,735.27 |
| Raw Materials Consumed during the year | 93,989.28 | 82,755.37 |
| Packing Material Consumed | 1,467.91 | 1,429.88 |
| Engineering & Design Charges | 317.32 | 226.91 |
| Total Cost | 95,774.51 | 84,412.16 |

Purchases are reported net of Trade discounts , Returns , Goods & Service Tax (to the extent refundable / adjustable) & Sales (if any) made during the course of business.

Note - 21 : Changes in inventories of finished Stocks, Stock-in -Trade and work-in-progress

| Particulars | Year Ended | Year Ended |
|---|--------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Opening Balance | | |
| Work - in - Progress | 7,482.02 | 4,998.86 |
| Finished Stock (Goods) | 29,748.51 | 27,429.28 |
| Scrap / Waste | 196.71 | 310.12 |
| Transfer of Finished Goods on account of Transfer of Interest in Subsidiary | - | (1,281.49) |
| Total | 37,427.24 | 31,456.77 |
| Closing Balance | | |
| Work - in - Progress | 9,154.89 | 7,482.02 |
| Finished Stock(Goods) | 47,129.85 | 29,748.51 |
| Scrap / Waste | 527.73 | 196.71 |
| Total Closing Balance | 56,812.47 | 37,427.24 |
| Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress | (19,385.23) | (5,970.47) |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note 22 : Employee benefits expenses

| Particulars | Year Ended | Year Ended |
|---|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Salaries, Wages, Bonus etc | 19,182.12 | 17,161.87 |
| Contribution to Provident Fund , ESIC & Other Funds | 593.82 | 591.45 |
| Gratuity Expenses (Also Refer Note No 34) | 336.17 | 290.18 |
| Staff Welfare Expenses | 801.82 | 677.33 |
| Directors Remuneration | 598.28 | 597.25 |
| Total Employee Benefits Expenses | 21,512.21 | 19,318.08 |

Note 23 : - Finance Cost

| Particulars | Year Ended | Year Ended |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Interest | | |
| Interest Expenses (net) (Also Refer Note No 33 for Interest paid to Related Party) | 2,557.03 | 1,755.40 |
| Financial Cost | | |
| Bank Charges | 125.21 | 258.46 |
| Bank Guarantee Charges | 38.87 | 23.17 |
| Bank Processing Charges | 1.16 | 26.42 |
| L/C Charges | 70.95 | 63.64 |
| Finance Cost expensed in Profit or Loss | 2,793.22 | 2,127.09 |

Note - 24 : Depreciation and amortisation expense

| Particulars | Year Ended | Year Ended |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Continuing Operations | | |
| Depreciation on Property,Plant and Equipment (including Right of Use Asset) | 6,155.88 | 6,059.76 |
| Depreciation on Investment Properties | 111.91 | 122.83 |
| Amortisation of Intangible Assets | 133.75 | 108.77 |
| Total Depreciation & Amortisation -Continuing Operations -I | 6,401.54 | 6,291.36 |
| Discontinued Operations | | |
| Depreciation on Property,Plant and Equipment | - | - |
| Depreciation on Investment Properties | - | - |
| Amortisation of Intangible Assets | - | - |
| Total Depreciation & Amortisation -Discontinued Operations -II | - | - |
| Total Depreciation and amortisation expenses (I+II) | 6,401.54 | 6,291.36 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 202/3

(₹ in Lakhs)

Note - 25 : Other Expenses

| Particulars | Year Ended | Year Ended |
|---|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Consumption of Stores and Other Consumable Items | 6,824.76 | 6,471.58 |
| Repairs & Maintenance | | |
| Plant & Machinery | 388.58 | 478.95 |
| Buildings | 583.56 | 365.61 |
| Others | 1,151.02 | 1,165.35 |
| Fuel And Oil Consumed | 2,013.75 | 1,422.42 |
| Power & Electricity | 5,551.19 | 4,760.29 |
| Job Work Charges | 7,002.26 | 6,512.23 |
| Labour Charges | 8,238.71 | 7,645.82 |
| Water Charges | 134.51 | 115.11 |
| Other Manufacturing Expenses | 799.36 | 864.45 |
| Freight & Other Export Charges | 13,014.90 | 11,376.42 |
| Selling & Distribution Expenses on Sales | 1,820.81 | 1,789.69 |
| Advertisement Expenses | 248.12 | 131.03 |
| Warehouse & Handling Charges | 299.40 | 199.21 |
| Commission/Brokerage | 1,178.74 | 1,326.53 |
| Sales Promotion | 227.36 | 158.02 |
| Travelling & Conveyance Expenses | 1,569.51 | 690.48 |
| Vehicle Expenses | 432.29 | 384.43 |
| Licence , Legal , Professional and Management Expenses | 1,868.52 | 1,323.87 |
| Rent, Rates & Taxes | 1,025.71 | 1,019.98 |
| Insurance expenses | 1,105.64 | 762.27 |
| Director Fees | 3.90 | 4.70 |
| Technical Training Expenses | 83.29 | 55.85 |
| Printing & Stationery | 141.19 | 112.63 |
| Postage, Telegram & Telephone Expenses | 275.53 | 248.96 |
| Miscellaneous Expenses | 44.88 | 37.42 |
| Expenditure incurred for Corporate Social Responsibility (CSR) (Refer Note No 40) | 363.77 | 265.73 |
| Payment to Auditors - Note 25 (a) below | 45.64 | 40.09 |
| Sundry Balances written off | 90.86 | 106.54 |
| Bad Debts | 620.34 | 517.18 |
| Total Other expenses | 57,148.10 | 50,352.84 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note 25 (a) : - Details of Payment to Auditors

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---------------------------------------|-------------------------------|-------------------------------|
| Payment to Auditors | | |
| As Auditor : | | |
| Audit Fees | 37.60 | 33.24 |
| Tax Audit Fees | 7.00 | 6.00 |
| In other capacities : | | |
| Taxation matters / Certification Fees | 1.00 | 0.80 |
| Out of Pocket Expenses | 0.04 | 0.05 |
| Total Payment to Auditors | 45.64 | 40.09 |

Note 26 : Exceptional Items - Gain / (loss)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|-----------------------------------|-------------------------------|-------------------------------|
| Gain on Sale of Plant & Equipment | - | #473.65 |
| Total | - | 473.65 |

represents gain on sale of spindles located at yarn division , Murbad

Note 27 : Tax Expenses

(a) Amounts recognised in profit or loss

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Tax expenses recognised in the Statement of Profit & Loss of Continuing Operations | | |
| Current tax expense | | |
| Current year tax | 9,211.93 | 8,547.74 |
| Short/(Excess) provision of taxation for earlier years | 6.89 | 143.26 |
| | 9,218.82 | 8,691.00 |
| Deferred tax expense | | |
| Origination and reversal of temporary differences | (495.58) | (140.52) |
| Total tax expenses of Continuing Operations | 8,723.24 | 8,550.48 |
| Tax expenses recognised in the Statement of Profit & Loss of Discontinued Operations | | |
| Current tax expense | | |
| Current year tax | (7.59) | (47.35) |
| Short/(Excess) provision of taxation for earlier years | - | - |
| Deferred tax expense | | |
| Origination and reversal of temporary differences | 133.43 | 43.38 |
| Total tax expenses of Discontinued Operations | 125.84 | (3.97) |
| Total tax expenses of Continuing & Discontinued Operations | 8,849.08 | 8,546.51 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 202/3

(₹ in Lakhs)

(b) Amounts recognised in other comprehensive income

| Particulars | Year Ended 31st March , 2023 | | | Year Ended 31st March , 2022 | | |
|---|------------------------------|-------------------------|-----------------|------------------------------|-------------------------|-----------------|
| | Before tax | Tax expense / (benefit) | Net of tax | Before tax | Tax expense / (benefit) | Net of tax |
| Items that will not be reclassified to profit & loss | | | | | | |
| Remeasurements of the defined benefit plans | 42.14 | 10.60 | 31.54 | (274.48) | (69.08) | (205.40) |
| Items that will be reclassified to Profit & Loss | | | | | | |
| Foreign Currency translation | (601.10) | - | (601.10) | (172.70) | - | (172.70) |
| Total Other Comprehensive Income | (558.96) | 10.60 | (569.56) | (447.18) | (69.08) | (378.10) |

(c) Reconciliation of effective tax rate

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|-----------------------------|-----------------------------|
| Profit before tax from Continuing & Discontinued Operations | 36,677.51 | 35,991.60 |
| Applicable Tax Rate (Current year 25.168 % and Previous Year 25.168%) | 9,231.00 | 9,058.37 |
| Tax effect of : | | |
| Tax effect on non-deductible/ Allowable on Payment Basis expenses | 39.02 | 78.79 |
| Excess of depreciation over books under Income Tax Act | 289.38 | 85.81 |
| Deductions under various sections of Income Tax Act | (27.44) | (55.40) |
| Effect of taxation of capital gains | (1,382.20) | (275.18) |
| Others | 1,095.80 | (201.31) |
| Taxation of Earlier years | 6.89 | 143.26 |
| Difference in Tax Rate | (403.37) | (287.83) |
| Tax expense as per Statement of Profit & Loss (Continuing & Discontinued Operations) | 8,849.08 | 8,546.51 |
| Effective tax rate | 24.13% | 23.75% |

(d) Movement in deferred tax balances

| Particulars | 31/03/2023 | | | | |
|--|--|--|--|---------------------------|--|
| | As at 1st April 2022 Deferred Tax Asset / (Liabilities) | (Credit) / Charge in the Statement of Profit or Loss of Continuing Operations | (Credit) / Charge in the Statement of Profit or Loss of Discontinued Operations | (Credit) / Charge in OCI | As at 31st March 2023 Deferred Tax Asset/ (Liabilities) |
| Deferred tax Asset/ (Liabilities) | | | | | |
| Property, plant and equipment, Intangible assets & Investment Property | (436.04) | 23.67 | 133.43 | - | (593.14) |
| Employee Benefits | 654.75 | (7.08) | - | 10.60 | 651.23 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | 31/03/2023 | | | | As at 31st March 2023 Deferred Tax Asset/ (Liabilities) |
|---|--|--|--|--------------------------------|--|
| | As at 1st April 2022 Deferred Tax Asset / (Liabilities) | (Credit) / Charge in the Statement of Profit or Loss of Continuing Operations | (Credit) / Charge in the Statement of Profit or Loss of Discontinued Operations | (Credit) / Charge in OCI | |
| Investments | (1,148.41) | (535.51) | - | - | (612.90) |
| Tax Loss | 238.45 | 18.15 | - | - | 220.30 |
| Others | (30.19) | 5.19 | - | - | (35.38) |
| Deferred tax Asset / (Liabilities)-Net | (721.44) | (495.58) | 133.43 | 10.60 | (369.89) |

| Particulars | 31/03/2022 | | | | As at 31st March 2022 Deferred Tax Asset/ (Liabilities) |
|--|--|--|--|--------------------------------|--|
| | As at 1st April 2021 Deferred Tax Asset / (Liabilities) | (Credit) / Charge in the Statement of Profit or Loss of Continuing Operations | (Credit) / Charge in the Statement of Profit or Loss of Discontinued Operations | (Credit) / Charge in OCI | |
| Deferred tax Asset/ (Liabilities) | | | | | |
| Property, plant and equipment , Intangible assets & Investment Property | (551.82) | (159.16) | 43.38 | - | (436.04) |
| Employee Benefits | 567.20 | (18.47) | - | (69.08) | 654.75 |
| Investments | (1,095.42) | 52.99 | - | - | (1,148.41) |
| Tax Loss | 223.43 | (15.02) | - | - | 238.45 |
| Others | (31.05) | (0.86) | - | - | (30.19) |
| Deferred tax Asset / (Liabilities)-Net | (887.66) | (140.52) | 43.38 | (69.08) | (721.44) |

The Group has opted for reduced tax rate as per Section 115BAA of the Income Tax Act , 1961(introduced by the Taxation Laws (Amended) Ordinance, 2019).Accordingly the Group has recognised Provision for Income Tax for the year and re-measured its Deferred tax Liability basis at the rate prescribed in the said section.

Note 28 : Discontinued Operations -Power Division

The Group has Permanently Shut down its 15 MW Captive thermal Power Plant in the F.Y 20-21 as operating the same was not found to be commercially Feasible considering the High Operating Cost of generating the Captive Power & Withdrawal of Income Tax Benefits under new Income Tax Regime and had classified the Operations as Discontinued operations

The Results of Power Division for the year are presented below :

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Revenue from Operations | | |
| Reversal of Impairment Loss Recognised in Earlier years | 500.00 | - |
| Other Income (Including Interest Income of ₹ NIL ; P.Y 3 Lakhs) | - | 37.78 |
| Total Income | 500.00 | 37.78 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Operating Expenses | - | 52.98 |
| Finance Cost (Including Interest Expenses of ₹ NIL ;P.Y ₹ 0.03 Lakhs) | - | 0.55 |
| Total Expenses | - | 53.53 |
| Profit / (Loss) before Tax | 500.00 | (15.75) |
| Tax expenses / (credit) | 125.84 | (3.97) |
| Profit / (Loss) after Tax | 374.16 | (11.78) |

Note 29 : Earnings per equity share:

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| For Continuing Operations | | |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs) | 26,335.50 | 26,751.68 |
| Weighted Average No of shares Outstanding during the year | 2,40,66,216 | 2,44,61,687 |
| Earnings per Share -Basic & Diluted (Face Value of ₹ 10/- per Share)(in ₹) | 109.43 | 109.36 |
| For Discontinued Operations | | |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs) | 374.16 | (11.78) |
| Weighted Average No of shares Outstanding during the year | 2,40,66,216 | 2,44,61,687 |
| Earnings per Share -Basic & Diluted (Face Value of ₹ 10/- per Share)(in ₹) | 1.55 | (0.05) |
| For Continuing & Discontinued Operations | | |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs) | 26,709.66 | 26,739.90 |
| Weighted Average No of shares Outstanding during the year | 2,40,66,216 | 2,44,61,687 |
| Earnings per Share -Basic & Diluted (Face Value of ₹ 10/- per Share)(in ₹) | 110.98 | 109.31 |

Note 30 : Contingent Liabilities & Commitments (to the extent not Provided for)

Contingent Liabilities

| S. No | Contingent Liabilities not provided For | As at 31st March 2023 | As at 31st March 2022 |
|-------|--|--------------------------|--------------------------|
| I. | Stand by Letter of Credit (SBLC) aggregating to Euro 17,50,000 (P.Y Euro 17,50,000) and USD 14,50,000 (P.Y USD 14,50,000) given to Banks on behalf of Technocraft Trading Spolka Z.O.O, Poland. | 2,756.71 | 2,572.84 |
| II | Stand by Letter of Credit (SBLC) aggregating to USD 40,00,000 (P.Y USD 40,00,000) given to Banks on behalf of Anhui Reliable Steel Technology Co.Ltd,China. | 3,286.80 | 3,031.70 |
| III. | Corporate Guarantee aggregating to Pounds 25,00,000 (P.Y Pounds 25,00,000) given to Bank on behalf of Technocraft International Ltd, UK. | 2,541.19 | 2,486.37 |
| IV. | Corporate Guarantee aggregating to USD 20,00,000 (P.Y USD 12,00,000) given to Banks on behalf of Technosoft Engineering Inc. ,USA | 1,643.40 | 909.51 |
| V. | Corporate Guarantee aggregating to USD 1,50,00,000 (P.Y USD 1,50,00,000) given to Banks on behalf of AAIT/ Technocraft Scaffold Distribution LLC. | 12,325.50 | 11,368.88 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| S. No | Contingent Liabilities not provided For | As at 31st March 2023 | As at 31st March 2022 |
|-------|---|-----------------------|-----------------------|
| VI. | Corporate Guarantee aggregating to USD 20,00,000 (P.Y NIL) given to Banks on behalf of Technocraft NZ Limited | 1,643.40 | - |
| VII. | Corporate Guarantee aggregating to ₹ 100,00,00,000 (P.Y NIL) given to Banks on behalf of Technocraft Textiles Limited | 10,000.00 | - |
| VIII. | Bank Guarantee issued in favour of Suppliers , Customers & Other Statutory Authorities | 3,922.34 | 3,250.40 |
| IX. | Excise Duty Matters | # 1642.37 | # 1603.64 |
| X. | Service Tax Matters | # 243.53 | # 243.53 |
| XI. | Goods & Service Tax Matters | 83.16 | - |
| XII. | Income Tax Matters | 1,527.45 | 1,521.74 |
| XIII. | Other Legal Matters | 2,875.29 | 2,875.29 |

includes Penal Amount also

The above amount are net of the amount if any deposited .

Commitments

| S. No | Particulars | As at 31st March 2023 | As at 31st March 2022 |
|-------|---|-----------------------|-----------------------|
| I. | Estimated Amount of Capital Contracts remaining to be executed and not Provided for (net of capital advances) | 9,271.10 | 7,971.48 |

Note- 31 Assets Pledged as Security

The carrying amount of assets Pledged as security for current & non current borrowings (including credit Limits sanctioned but not utilised) & also for SBLC / Corporate & Trade Guarantees are as below :

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|-----------------------|-----------------------|
| Non Current Assets | | |
| Property, Plant & Equipment | | |
| Lease Hold Land | 539.07 | 548.55 |
| Free Hold Land | 291.88 | 291.88 |
| Investment Property | 110.78 | 374.31 |
| Building / Factory Building | 9837.93 | 8,879.69 |
| Plant & Machinery | 9865.11 | 10,564.29 |
| Capital Work in Progress | 3304.28 | 589.19 |
| Other Financial Assets | | |
| Fixed Deposits with Bank | 2,948.97 | 189.20 |
| Investments | 2,309.26 | - |
| Total Non Current Assets Pledged as security | 29,207.28 | 21,437.11 |
| Current Assets | | |
| Inventories | 69,486.10 | 47,915.12 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Other Financial Assets | | |
| Trade Receivables # | 34,458.18 | 39,625.37 |
| Fixed Deposits with Banks | 626.23 | 2,883.28 |
| Investments | 525.12 | - |
| Total Current Assets Pledged as security | 1,05,095.63 | 90,423.77 |
| Total Assets Pledged as Security | 1,34,302.91 | 1,11,860.88 |

excluding Inter Company debtors

Note 32 : Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the management approach as defined in Ind AS 108, the chief operating decision maker (CODM) evaluates the group performance and allocates resources based on an analysis of various performance indicators by business segment and geographic segment. Accordingly, information has been presented both along business segment and geographic segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

The Group has identified Drum Closures, Scaffoldings, Yarn, Fabric, Engineering & Design & Others as primary business segments of the Group. (Continuing Operations) and has classified "Power Division" as Discontinued Operations.

The above business segments have been identified considering :

- i) The nature of the product
- ii) The deferring risk and returns
- iii) The internal financial reporting systems

The Geographical Segments considered for Disclosure are as Follows

- a) Revenue within India includes Revenue from Sales of Products (including Scrap) & Services to Customers Located within India and earnings in India.
- b) Revenue outside India includes Revenue from Sales of Products & Services to Customers Located outside India and earnings outside India and export Incentive benefits.

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to a particular segments on a reasonable basis, have been included under "Unallocable". Inter segment transfers, are accounted for at competitive market prices, charged to unaffiliated customer for similar goods.

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---------------------------|-------------------------------|-------------------------------|
| Segment Revenue | | |
| a. Drum Closures Division | 53,477.86 | 58,391.04 |
| b. Scaffoldings Division | 88,944.21 | 70,732.13 |
| c. Yarn Division | 34,268.49 | 40,309.86 |
| d. Fabric Division | 18,145.59 | 25,938.54 |
| e. Engineering & Design | 13,621.95 | 10,857.26 |
| f. Others | 22.36 | 280.61 |
| Total | 2,08,480.46 | 2,06,509.44 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Less : Inter Segment Revenue | | |
| a. Drum Closures Division | 175.85 | 125.34 |
| b. Scaffoldings Division | 19.23 | 32.41 |
| c. Yarn Division | 9,121.91 | 14,044.64 |
| d. Fabric Division | 537.67 | 757.05 |
| e. Engineering & Design | 172.61 | 175.81 |
| f. Others | - | 263.69 |
| | 10,027.27 | 15,398.94 |
| External Revenue from Operations | | |
| a. Drum Closures Division | 53,302.01 | 58,265.70 |
| b. Scaffoldings Division | 88,924.98 | 70,699.72 |
| c. Yarn Division | 25,146.58 | 26,265.22 |
| d. Fabric Division | 17,607.92 | 25,181.49 |
| e. Engineering & Design | 13,449.34 | 10,681.45 |
| f. Others | 22.36 | 16.92 |
| Total External Revenue from Continuing Operations | 1,98,453.19 | 1,91,110.50 |
| Discontinued Operations | | |
| Power Division | - | - |
| Less : Inter Segment Revenue | - | - |
| Total External Revenue from Discontinued Operations | - | - |
| Total External Revenue from Continuing & Discontinued Operations | 1,98,453.19 | 1,91,110.50 |
| Results | | |
| Segment Result | | |
| a. Drum Closures Division | 16,251.79 | 20,005.91 |
| b. Scaffoldings Division | 22,724.68 | 9,128.85 |
| c. Yarn Division | (1,769.08) | 5,011.51 |
| d. Fabric Division | (1,244.11) | (351.71) |
| e. Engineering & Design | 2,721.46 | 2,324.04 |
| f. Others | (40.36) | 74.54 |
| Segment operating Profit | 38,644.38 | 36,193.14 |
| Reconciliation of Segment Operating Profit to Operating Profit | | |
| Unallocable Income / (Expenses) | | |
| Employee benefit Expenses | (922.44) | (877.33) |
| Depreciation & Amortisation | (138.10) | (148.14) |
| Other Expenses | (1,322.26) | (781.38) |
| Interest Income | 138.74 | 115.64 |
| Net Gain on Investments & Investment Property | 1,909.22 | 2,774.42 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|----------------------------------|----------------------------------|
| Rental Income | 310.34 | 309.46 |
| Other Income | 350.87 | 75.00 |
| Operating Profit | 38,970.75 | 37,660.81 |
| Less | | |
| Finance Cost | 2,793.22 | 2,127.09 |
| Share of Loss in Associate | 0.02 | 0.02 |
| Net Profit before tax & Exceptional Items from Continuing Operations | 36,177.51 | 35,533.70 |
| Exceptional Items (Refer Note No 26) | - | 473.65 |
| Net Profit before tax but after Exceptional Items from Continuing Operations | 36,177.51 | 36,007.35 |
| Less | | |
| Income Tax Expenses | 9,218.82 | 8,691.00 |
| Deferred Tax Expenses (net) | (495.58) | (140.52) |
| Net Profit After Tax from Continuing Operations | 27,454.27 | 27,456.87 |
| Net Profit After Tax from Discontinued Operations-Power Division | 374.16 | (11.78) |
| Net Profit After Tax from Continuing & Discontinued Operations | 27,828.43 | 27,445.09 |
| | As at 31st March 2023 | As at 31st March 2022 |
| Segment Assets | | |
| a. Drum Closures Division | 32,108.23 | 31,079.85 |
| b. Scaffoldings Division | 1,07,832.64 | 74,802.48 |
| c. Yarn Division | 32,558.71 | 31,586.18 |
| d. Fabric Division | 12,871.90 | 13,750.96 |
| e. Engineering & Design | 6,910.60 | 4,792.67 |
| f. Others | 26.49 | 16.77 |
| Segment Operating Assets | 1,92,308.57 | 1,56,028.91 |
| Reconciliation of Segment Operating assets to Total Assets | | |
| Non Current Assets | | |
| Property ,Plant & Equipment | 1,858.88 | 240.29 |
| Capital WIP | 78.90 | 743.54 |
| Investment Properties | 1,341.71 | 1,662.30 |
| Intangible Assets | 4.69 | 1.92 |
| Non Current Investments | 28,781.85 | 24,152.31 |
| Other Financial Assets | 2,731.33 | 1.33 |
| Other Non Current Assets | 215.37 | 193.47 |
| Current Assets | | |
| Current Investments | 4,306.50 | 17,876.77 |
| Cash & Cash Equivalent | 2,126.46 | 3,108.10 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| | As at 31st March 2023 | As at 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| Other Bank Balances | 53.41 | 2,645.91 |
| Other Financial Assets | 54.47 | 414.64 |
| Loans | 1,226.39 | 2,372.24 |
| Other Current Assets | 855.32 | 718.37 |
| Unallocable Assets | 43,635.28 | 54,131.19 |
| Total Assets of Continuing Operations | 2,35,943.85 | 2,10,160.10 |
| Total Assets of Discontinued Operations -Power Division | 481.73 | 910.26 |
| Total Assets | 2,36,425.58 | 2,11,070.36 |
| Segment Liabilities | | |
| a. Drum Closures Division | 6,046.49 | 7,201.29 |
| b. Scaffoldings Division | 9,543.49 | 6,835.67 |
| c. Yarn Division | 3,211.46 | 3,320.82 |
| d. Fabric Division | 1,803.81 | 1,786.31 |
| e. Engineering & Design | 1,535.30 | 1,265.73 |
| f. Others | 12.37 | 37.31 |
| Segment Operating Liabilities | 22,152.92 | 20,447.13 |
| Reconciliation of Segment Operating Liabilities to Total Liabilities | | |
| Non Current Liabilities | | |
| Non Current Borrowings | 2,962.87 | 4,784.22 |
| Other Financial Liabilities | 23.82 | 23.94 |
| Deferred Tax Liability (net) | 369.89 | 721.44 |
| Provisions | 1,760.90 | 1,749.24 |
| Current Liabilities | | |
| Current Borrowings | 62,618.29 | 45,830.28 |
| Other Financial Liabilities | 778.46 | 425.03 |
| Provisions | 168.37 | 165.94 |
| Current Tax Liabilities (net) | 1,268.65 | 1,318.43 |
| Other Current Liabilities | 24.75 | 16.19 |
| Unallocable Liabilities | 69,976.00 | 55,034.71 |
| Total Liabilities of Continuing Operations | 92,128.92 | 75,481.84 |
| Total Liabilities of Discontinued Operations -Power Division | 59.14 | 125.67 |
| Total Liabilities | 92,188.06 | 75,607.51 |
| Capital Expenditure (excluding CWIP) | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
| a. Drum Closures Division | 826.03 | 1,044.02 |
| b. Scaffoldings Division | 2,879.11 | 1,832.45 |
| c. Yarn Division | 347.38 | 1,892.41 |
| d. Fabric Division | 1,740.61 | 898.30 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Capital Expenditure (excluding CWIP) | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| e. Engineering & Design | 603.09 | 369.00 |
| f. Others | - | 2.00 |
| g. Unallocable | 1,651.45 | 18.60 |
| Total Capital expenditure of Continuing Operations | 8,047.67 | 6,056.78 |
| Total Capital expenditure of Discontinued Operations -Power Division | - | - |
| Total | 8,047.67 | 6,056.78 |
| Depreciation & Amortization | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
| a. Drum Closures Division | 887.79 | 951.76 |
| b. Scaffoldings Division | 1,322.65 | 966.6 |
| c. Yarn Division | 2,514.90 | 2750.92 |
| d. Fabric Division | 1,187.97 | 1286.5 |
| e. Engineering & Design | 348.93 | 186.72 |
| f. Others | 1.21 | 0.72 |
| g. Unallocable | 138.09 | 148.14 |
| Total Depreciation & Amortisation of Continuing Operations | 6,401.54 | 6,291.36 |
| Total Depreciation & Amortisation of Discontinued Operation-Power Division | - | - |
| Total Depreciation & Amortisation | 6,401.54 | 6,291.36 |
| Secondary Segment | | |
| Geographic Information | | |
| Revenue from External Customers | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
| Continuing Operations | | |
| India | 69,475.36 | 62,390.78 |
| Outside India | 1,28,977.83 | 1,28,719.72 |
| Total External Revenue from Continuing Operations | 1,98,453.19 | 1,91,110.50 |
| Discontinued Operations | | |
| India | - | - |
| Outside India | - | - |
| Total External Revenue from Discontinued Operations | - | - |
| Total External Revenue from Continuing & Discontinued Operations | 1,98,453.19 | 1,91,110.50 |
| Non Current Operating Assets | As at 31st March 2023 | As at 31st March 2022 |
| India | 40,684.71 | 36,845.98 |
| Outside India | 6,651.74 | 6,420.95 |
| Total | 47,336.45 | 43,266.93 |

Non Current Operating Assets for this purpose consists of Property , Plant and equipment , Investment properties, intangible assets and Capital work in Progress



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

Note

1. No single Customer Contributed 10% or more to the Group revenue for the year ended 31st March 2023 & 31st March 2022
2. Rental Income from IT Park is considered as Unallocable Income

Note 33 : Related Party disclosures

The related Parties as per the terms of Ind AS-24, "Related Party Disclosures". (Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below

Name of Related parties with whom transactions have taken place during the year

Key Managerial Personnel (KMP)

1. Shri Sharad Kumar Saraf
2. Shri Sudarshan Kumar Saraf
3. Shri Navneet Kumar Saraf
4. Shri Ashish Kumar Saraf
5. Shri Atanu Chaudhary
6. Shri Neeraj Rai (Company Secretary)

Enterprises in which KMP / Relatives of KMP are Interested

1. BMS Industries Pvt Ltd
2. S.K.Saraf HUF
3. Ashrit Holdings Limited
4. M.D.Saraf Securities Pvt Limited
5. Marigold International Limited
6. Topline International Trading Company (FZE)
7. Paithan Eco Foods Pvt Ltd
8. Brand You Digital

Relatives of KMP

1. Priyanka Saraf
2. Ritu Saraf
3. Renu Rai

Non Executive Directors

1. Shri Aubrey Ignatius Rebello
2. Shri Jagdeesh Mehta
3. Shri Vinod Agarwala
4. Shri Vishwambhar Saraf
5. Ms Vaishali Choudhari



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Enterprise in which Non Executive Director is interested

Remi Edelstahl Tubular Ltd

Trust

Shanti Seva Nidhi Trust

Technocraft Industries (I) Ltd Employees Group Gratuity Trust

| Transactions during the Year | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| A. Sales of Goods & Services | | |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt Ltd | 144.00 | 244.16 |
| Trust | | |
| Shanti Seva Nidhi Trust | 15.33 | - |
| B. Rent Received | | |
| Relatives of KMP | | |
| Priyanka Saraf | 12.00 | 12.00 |
| Enterprises in which KMP are Interested | | |
| 1.BMS Industries Pvt Ltd | 2.00 | 2.00 |
| 2.M.D.Saraf Securities Pvt Ltd | 0.01 | 0.01 |
| 3.Ashrit Holdings Limited | 0.01 | 0.01 |
| 4.Paithan Eco Foods Pvt Ltd | 0.01 | 0.01 |
| C. C. Professional Fees Paid | | |
| Enterprises in which KMP / Relatives of KMP are Interested | | |
| Brand You Digital | - | 0.25 |
| Relatives of KMP | | |
| Renu Rai | 5.12 | 4.78 |
| D. Commission Paid on Sales | | |
| Enterprise in which Non Executive Director is Interested | | |
| Remi Edelstahl Tubular Ltd | 56.49 | 53.94 |
| E. Sitting Fees | | |
| Non Executive Directors | | |
| Director Sitting Fees | 3.90 | 4.70 |
| F. Job Work Charges Paid | | |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt Ltd | 6170.98 | 5535.15 |
| G. Purchase of Materials / Assets / Stores & Spares | | |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt Ltd | 444.76 | 855.15 |
| H. Rent Paid | | |
| Enterprises in which KMP are Interested | | |
| S.K.Saraf HUF | 24.00 | 24.00 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Transactions during the Year | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|----------------------------------|----------------------------------|
| I. I. Managerial Remuneration | | |
| Key Managerial Personneel | | |
| Salaries ,Wages ,Bonus , Commission & Other Benefits | 614.77* | 612.93* |
| Contribution towards P.F.,Family Pension Etc | 0.91 | 0.82 |
| J. Advancement of Loan | | |
| Enterprises in which KMP are Interested | | |
| Marigold International Limited | 12.77# | 2.17# |
| Topline International Trading Company (FZE) | 1.48# | 10.64# |
| # excluding Forex Effect | | |
| K. Trust | | |
| Technocraft Industries (I) Ltd Employees Group Gratuity Trust | | |
| Gratuity Contribution | 250.75 | 250.00 |
| Gratuity Benefits received | 335.33 | 84.09 |
| Amount due to / From Related Parties | As at 31st March 2023 | As at 31st March 2022 |
| Loans Receivable | | |
| Marigold International Limited | 64.70 | 58.30 |
| Topline International Trading Company (FZE) | 175.47 | 150.07 |
| Trade & Other Receivables | | |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt Ltd | - | 261.17 |
| Trade Payables / Other Financial Liabilities | | |
| Enterprises in which KMP are Interested | | |
| BMS Industries Pvt Ltd | 2,593.61 | 2,414.85 |
| Enterprises in Which Non Executive Director is Interested | | |
| Remi Edelstahl Tubular Ltd | 14.49 | 11.34 |
| Commission & Bonus Payable | | |
| Key Managerial Personnel | 230.78 | 230.78 |
| Gratuity Contribution & Administration Charges Payable | | |
| Trust | | |
| Technocraft Industries (I) Ltd Employees Group Gratuity Trust | 1,919.58 | 1,632.02 |

Note

- 1) The transactions with related parties are made on terms equivalent to those that Prevail in arm's Length transactions Outstanding balances at the year end are unsecured .The Group has not recorded any impairment of receivables relating to amounts owned by the related Parties .This assessment is undertaken each Financial year through examining the Financial Position of the related party and the market in which the related Party operates

* excludes Provision for gratuity & Compensated leave for Key Managerial Personnel as Separate Actuarial Valuation is not available



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note 34 : Disclosure Pursuant to Ind AS - 19 “Employee Benefits”

[A] Post Employment Benefit Plans:

Defined Contribution Plans

The Group contributes a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme.

| Amount recognised in the Statement of Profit and Loss | 2022-2023 | 2021-2022 |
|---|-----------|-----------|
| Defined Contribution Scheme | # 514.37 | # 471.57 |

excluding ₹ NIL Lakhs (P.Y ₹ 0.01 Lakhs) Contributed by Government of India under PMRPY Scheme

Defined Benefit Plans

The Group has the following Defined Benefit Plans:

Gratuity: In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Group makes contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

| a) Reconciliation of balances of Defined Benefit Obligations. | 2022-2023 | | 2021-2022 | |
|---|-----------|----------|-----------|----------|
| | Funded | Unfunded | Funded | Unfunded |
| Present value of funded obligations | 2,354.75 | 177.39 | 2,424.31 | 167.26 |
| Fair Value of plan assets | 425.49 | - | 509.13 | - |
| Net (Asset) / Liability recognised in the balance sheet | 1929.26 | 177.39 | 1,915.18 | 167.26 |

Movements in plan assets and plan liabilities

| Particulars | Present value of obligations | | Fair Value of plan assets | |
|--|------------------------------|---------------|---------------------------|----------|
| | Funded | Unfunded | Funded | Unfunded |
| As at 1st April 2022 | 2,424.31 | 167.26 | 509.13 | - |
| Current service cost | 165.94 | 32.73 | - | - |
| Interest Cost | 141.03 | 12.00 | - | - |
| Interest Income | - | - | 15.53 | - |
| Return on plan assets excluding amounts included in net finance income | - | - | (14.59) | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | (95.27) | (5.66) | - | - |
| Actuarial (gain)/loss arising from experience adjustments | 54.08 | (9.87) | - | - |
| Contributions by Employer | - | - | 250.75 | - |
| Benefit payments | (335.33) | (19.07) | (335.33) | - |
| As at 31st March 2023 | 2,354.75 | 177.39 | 425.49 | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Present value of obligations | | Fair Value of plan assets | |
|--|------------------------------|---------------|---------------------------|----------|
| | Funded | Unfunded | Funded | Unfunded |
| As at 1st April 2021 | 1,946.44 | 155.48 | 318.82 | - |
| Current service cost | 147.29 | 30.57 | - | - |
| Interest Cost | 111.18 | 10.54 | - | - |
| Interest Income | - | - | 9.40 | - |
| Return on plan assets excluding amounts included in net finance income | - | - | 15.00 | - |
| Actuarial (gain)/loss arising from changes in financial assumptions | (51.07) | (8.94) | - | - |
| Actuarial (gain)/loss arising from experience adjustments | 354.56 | (5.07) | - | - |
| Actuarial (gain)/loss arising from Demographic assumptions | - | - | - | - |
| Contributions by Employer | - | - | 250.00 | - |
| Benefit payments | (84.09) | (15.32) | (84.09) | - |
| As at 31st March 2022 | 2,424.31 | 167.26 | 509.13 | - |

| b) Amount recognised in Statement of Profit and Loss | 2022-2023 | | 2021-2022 | |
|---|----------------|----------------|---------------|----------------|
| | Funded | Unfunded | Funded | Unfunded |
| Current Service Cost | 165.94 | 32.73 | 147.29 | 30.57 |
| Interest Cost (net) | 125.50 | 12.00 | 101.78 | 10.54 |
| Total amount recognised in Statement of P&L | 291.44 | 44.73 | 249.07 | 41.11 |
| -Changes in financial assumptions | (95.27) | (5.66) | (51.07) | (8.94) |
| -Experience gains/(losses) | 54.08 | (9.87) | 354.56 | (5.07) |
| Return on plan assets excluding amounts included in Interest Income | 14.59 | - | (15.00) | - |
| Total Expenses / (Income) recognised in Other Comprehensive Income | (26.60) | (15.53) | 288.49 | (14.01) |

Investment pattern for Fund as on

| Category of Asset | As at 31st March 2023 | | As at 31st March 2022 | |
|-----------------------------------|-----------------------|----------|-----------------------|----------|
| | Funded | Unfunded | Funded | Unfunded |
| Government of India Securities | 0% | - | 0% | - |
| State Government Securities | 0% | - | 0% | - |
| High quality corporate bonds | 0% | - | 0% | - |
| Equity shares of listed companies | 0% | - | 0% | - |
| Property | 0% | - | 0% | - |
| Special Deposit Scheme | 0% | - | 0% | - |
| Policy of insurance | 100% | - | 100% | - |
| Bank Balance | 0% | - | 0% | - |
| Other Investments | 0% | - | 0% | - |
| Total | 100% | - | 100% | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

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, 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 | 2022-2023 | | 2021-2022 | |
|----------------------------------|---|---|---|---|
| | Funded | Unfunded | Funded | Unfunded |
| Discount Rate (%) | 7.40% | 7.50% | 6.85% | 6.85% |
| Salary Escalation/ Inflation (%) | 5.00% | 5.00% | 5.00% | 5.00% |
| Withdrawal rates | 2% at younger ages reducing to 1% at older ages | 2% at younger ages reducing to 1% at older ages | 2% at younger ages reducing to 1% at older ages | 2% at younger ages reducing to 1% at older ages |

Demographic Assumptions

Mortality in service : Indian Assured Lives Mortality (2006-08)

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease as at 31.03.2023 and 31.03.2022 is as below:

| Particulars | Increase/Decrease in liability 2022-2023 | | Increase/Decrease in liability 2021-2022 | |
|--|---|----------|---|----------|
| | Funded | Unfunded | Funded | Unfunded |
| Discounting rate varied by 0.5% | | | | |
| + 0.5% | 2,274.27 | 166.93 | 2,343.91 | 156.91 |
| - 0.5% | 2,441.06 | 188.79 | 2,510.68 | 178.59 |
| Salary growth rate varied by 0.5% | | | | |
| + 0.5% | 2,442.14 | 189.02 | 2,511.32 | 178.78 |
| - 0.5% | 2,272.64 | 166.64 | 2,342.66 | 156.65 |

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 period.

The expected future cash flows as at 31st March 2023 & as at 31st March 2022 were as follows:

| Expected contribution | As at 31st March 2023 | | As at 31st March 2022 | |
|--|-----------------------|----------|-----------------------|----------|
| | Funded | Unfunded | Funded | Unfunded |
| Projected benefits payable in future years from the date of reporting | | | | |
| 1st following year | 574.20 | 3.83 | 730.64 | 3.60 |
| 2nd following year | 128.56 | 12.73 | 108.88 | 3.96 |
| 3rd following year | 113.59 | 4.17 | 124.35 | 12.59 |
| 4th following year | 264.56 | 4.57 | 111.89 | 4.26 |
| 5th following year | 164.30 | 9.00 | 237.66 | 4.58 |
| Years 6 to 10 | 948.89 | 86.60 | 860.20 | 64.57 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

[B] Other Long term employee benefits

Leave Encashment:

The Employees are entitled to accumulate Earned Leave , which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

| Particulars | 2022-2023 | 2021-2022 |
|---|---------------|---------------|
| Present value of unfunded obligations | 507.57 | 520.96 |
| Net (Asset)/Liability recognised | 507.57 | 520.96 |

Reconciliation of balances of Defined Benefit Obligations.

| Particulars | 2022-2023 | 2021-2022 |
|--|---------------|---------------|
| Defined Obligations at the beginning of the year | 520.96 | 470.62 |
| Current Service Cost | 58.91 | 64.94 |
| Interest Cost | 33.71 | 28.22 |
| Actuarial loss/(gain) due to change in financial assumptions | (26.76) | (16.30) |
| Actuarial loss/ (gain) due to experience adjustments | (19.48) | 17.31 |
| Benefits paid | (59.77) | (43.83) |
| Defined Obligations at the end of the year | 507.57 | 520.96 |

Amount recognised in Statement of Profit and Loss

| Particulars | 2022-2023 | 2021-2022 |
|---|----------------|--------------|
| Current Service Cost | 58.91 | 64.94 |
| Net Interest Cost | 33.71 | 28.22 |
| Net value of remeasurements on the obligation and plan assets | (46.24) | 1.01 |
| Total amount recognised in Statement of P&L | 46.38 | 94.17 |
| Change in Financial Assumptions | (26.76) | (16.30) |
| Experience gains/(losses) | (19.48) | 17.31 |
| Net Actuarial Loss/(Gain) | (46.24) | 1.01 |

Major Actuarial Assumptions

| Particulars | 2022-2023 | 2021-2022 |
|----------------------------------|---|---|
| Discount Rate (%) | 7.50% | 6.85% |
| Salary Escalation/ Inflation (%) | 5% p.a | 5% p.a |
| Withdrawal Rates | 2% at younger ages reducing to 1% at older ages | 2% at younger ages reducing to 1% at older ages |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Sensitivity analysis

Sensitivity analysis for each significant actuarial assumption as stated above, showing how the defined benefit obligation would be affected, considering increase/decrease as at 31.03.2023 and 31.03.2022 is as below:

| Particulars | 2022-2023 | 2021-2022 |
|--|-----------|-----------|
| Discounting rate varied by 0.5% | | |
| + 0.5% | 483.80 | 496.60 |
| - 0.5% | 533.49 | 547.51 |
| Salary growth rate varied by 0.5% | | |
| + 0.5% | 533.99 | 547.88 |
| - 0.5% | 483.18 | 496.06 |

The expected future cash flows as at 31st March 2023 & as at 31st March 2022 were as follows:

| Expected contribution | 2022-2023 | 2021-2022 |
|--|-----------|-----------|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | 69.46 | 85.76 |
| 2nd following year | 33.85 | 26.31 |
| 3rd following year | 23.90 | 25.56 |
| 4th following year | 49.13 | 23.45 |
| 5th following year | 39.36 | 50.82 |
| Years 6 to 10 | 182.69 | 182.05 |

Note 35: Fair Value Measurements

A. Financial instruments by category and fair value hierarchy :

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

| 31st March 2023 | Carrying Value | | | | Fair value | | | |
|--|----------------------|-----------------------------|----------------|-----------|------------|---------|---------|-----------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value through Profit and loss : | | | | | | | | |
| Non-current : | | | | | | | | |
| Investment In Mutual Funds | 28,781.42 | - | - | 28,781.42 | 28,781.42 | - | - | 28,781.42 |
| Current : | | | | | | | | |
| Investment In Mutual Funds | 4,201.68 | - | - | 4,201.68 | 4,201.68 | - | - | 4,201.68 |
| Investment in Quoted Equity Instruments | 104.82 | - | - | 104.82 | 104.82 | - | - | 104.82 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| 31st March 2023 | Carrying Value | | | | Fair value | | | |
|--|----------------------|-----------------------------|------------------|------------------|------------------|---------|---------|------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets at amortised cost | | | | | | | | |
| Non-current : | | | | | | | | |
| Deposits | - | - | 3,405.30 | 3,405.30 | - | - | - | - |
| Current : | | | | | | | | |
| Deposits | - | - | 316.69 | 316.69 | - | - | - | - |
| Loan to Employees & Others | - | - | 1,407.49 | 1,407.49 | - | - | - | - |
| Cash and cash equivalents | - | - | 16,906.64 | 16,906.64 | - | - | - | - |
| Other Bank Balances | - | - | 1,203.77 | 1,203.77 | - | - | - | - |
| Trade receivables | - | - | 41,961.82 | 41,961.82 | - | - | - | - |
| Others | - | - | 721.28 | 721.28 | - | - | - | - |
| | 33,087.92 | - | 65,922.99 | 99,010.91 | 33,087.92 | - | - | 33,087.92 |
| Financial liabilities at amortised cost | | | | | | | | |
| Non Current | | | | | | | | |
| Term Loan | - | - | 2,962.87 | 2,962.87 | - | - | - | - |
| Deposits | - | - | 23.81 | 23.81 | - | - | - | - |
| Other Non Current Financial Liabilities | - | - | 105.97 | 105.97 | - | - | - | - |
| Current | | | | | | | | |
| Borrowings | - | - | 62,618.29 | 62,618.29 | - | - | - | - |
| Trade and Other Payables | - | - | 14,468.78 | 14,468.78 | - | - | - | - |
| Deposits | - | - | 728.93 | 728.93 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 2,919.95 | 2,919.95 | - | - | - | - |
| | - | - | 83,828.60 | 83,828.60 | - | - | - | - |

| 31st March 2022 | Carrying Value | | | | Fair value | | | |
|--|----------------------|-----------------------------|----------------|-----------|------------|---------|---------|-----------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value through Profit and loss : | | | | | | | | |
| Non-current : | | | | | | | | |
| Investment In Mutual Funds | 24,151.85 | - | - | 24,151.85 | 24,151.85 | - | - | 24,151.85 |
| Current : | | | | | | | | |
| Investment In Mutual Funds | 17,753.59 | - | - | 17,753.59 | 17,753.59 | - | - | 17,753.59 |
| Investment in Quoted Equity Instruments | 123.18 | - | - | 123.18 | 123.18 | - | - | 123.18 |
| Financial assets at amortised cost | | | | | | | | |
| Non-current : | | | | | | | | |
| Deposits | - | - | 636.73 | 636.73 | - | - | - | - |
| Current : | | | | | | | | |
| Deposits | - | - | 371.09 | 371.09 | - | - | - | - |
| Loan to Employees & Others | - | - | 2,463.59 | 2,463.59 | - | - | - | - |
| Cash and cash equivalents | - | - | 7,174.67 | 7,174.67 | - | - | - | - |
| Other Bank Balances | - | - | 2,888.19 | 2,888.19 | - | - | - | - |
| Trade receivables | - | - | 45,680.96 | 45,680.96 | - | - | - | - |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| 31st March 2022 | Carrying Value | | | | Fair value | | | |
|--|----------------------|-----------------------------|------------------|--------------------|------------------|---------|---------|------------------|
| | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Others | - | - | 1,138.37 | 1,138.37 | - | - | - | - |
| | 42,028.62 | - | 60,353.60 | 1,02,382.22 | 42,028.62 | - | - | 42,028.62 |
| Financial liabilities at amortised cost | | | | | | | | |
| Non Current | | | | | | | | |
| Term Loans | - | - | 4,784.22 | 4,784.22 | - | - | - | - |
| Deposits | - | - | 23.94 | 23.94 | - | - | - | - |
| Other Non Current Financial Liabilities | - | - | 97.74 | 97.74 | - | - | - | - |
| Current | | | | | | | | |
| Borrowings | - | - | 45,830.28 | 45,830.28 | - | - | - | - |
| Trade and Other Payables | - | - | 14,161.65 | 14,161.65 | - | - | - | - |
| Deposits | - | - | 405.29 | 405.29 | - | - | - | - |
| Other Current Financial Liabilities | - | - | 2,629.27 | 2,629.27 | - | - | - | - |
| | - | - | 67,932.39 | 67,932.39 | - | - | - | - |

During the reporting period ended March 31, 2023 and March 31, 2022, there were no transfers between levels of fair value measurements.

B. Measurement of fair values

The following methods and assumptions were used to estimate the fair values of financial instruments :

- The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of the Equity/ Mutual Fund investment which are quoted, are derived from quoted market prices in active markets.

Note 36 : Financial Risk Management

Risk management framework

The Group activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group primary risk management focus is to minimize potential adverse effects of all the risk on its financial performance. The Board of Directors and Senior Management of the Group are responsible for overseeing the Group risk assessment and management policies and processes.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Market risk ; and
- Liquidity risk

1. Credit Risk

The Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set and periodically reviewed on the basis of such Information.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The Group categories a trade receivable for write off when a debtor fails to make contractual payments or on case to case basis. Where trade receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as Income in the statement of profit or loss.

The Group measures loss rate for trade receivables from Individual customers based on the historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on Past Trends. Based on the historical data, no probable loss on collection of receivable is anticipated & hence no provision is considered.

In case of Credit risks from balances with banks and financial institutions, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Group's maximum exposure in this respect is the maximum amount that the Group would have to pay if the guarantee is called upon. The maximum exposure relating to financial guarantees is disclosed in Note No 30 (Contingent Liability)

Ageing of Account Receivables

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--------------------|--------------------------|--------------------------|
| Not due | 24,193.11 | 31,515.91 |
| Less than 6 Months | 13,776.80 | 13,133.99 |
| 6 Months -1 Year | 3,762.93 | 712.84 |
| 1-2 year | 81.39 | 318.22 |
| 2-3 year | 147.59 | - |
| More than 3 years | - | - |
| Total | 41,961.82 | 45,680.96 |

2. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly of currency risk and interest rate risk. Financial Instrument affected by Market risks includes loans and borrowings and foreign Currency Receivables and payables. The Group has set processes and policies to assess, control and monitor the effect of the risk on the financial performance of the Group.

i) Currency Risk

This is the risk that the Group may suffer losses as a result of adverse exchange rate movement during the relevant period. The Group is exposed to currency risk on account of its operating and financing activities. The senior management personnel are responsible for identifying the most effective and efficient ways of managing the risk & the same is closely monitored by the Board of Directors



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars of Unhedged Foreign Currency exposures as at the reporting date

As as 31st March 2023

Foreign Currency in Lakhs

| Particulars | USD | EURO | SGD | GBP | AED | JPY | AUD | CAD | CHF |
|--|---------------|--------------|---------------|-------------|---------------|-------------|-------------|-------------|-------------|
| Trade Payables / Other Financial Liabilities | (7.51) | (1.21) | - | - | - | - | (0.01) | - | - |
| Trade Receivables / Other Financial Assets | 102.88 | 18.04 | - | 1.10 | - | 12.73 | - | 0.43 | 0.03 |
| Advances from Customers | (5.37) | (2.64) | (0.08) | - | (5.76) | (7.13) | - | - | - |
| Loan Given | 14.41 | - | - | - | - | - | - | - | - |
| Bank Loan Taken | (11.60) | (9.47) | - | - | - | - | - | - | - |
| Bank Balances (Including Fixed Deposits) | 58.23 | 7.30 | - | - | - | - | 0.25 | - | - |
| Net | 151.04 | 12.02 | (0.08) | 1.10 | (5.76) | 5.60 | 0.24 | 0.43 | 0.03 |

As as 31st March 2022

| Particulars | USD | EURO | SGD | GBP | AED | JPY | AUD | CAD | CHF |
|--|---------------|--------------|----------|-------------|----------|---------------|-------------|-------------|----------|
| Trade Payables / Other Financial Liabilities | (6.06) | (1.66) | - | - | - | - | - | - | - |
| Trade Receivables / Other Financial Assets | 20.89 | 54.02 | - | 1.11 | - | - | 2.25 | 0.72 | - |
| Advances from Customers | (5.57) | (0.52) | - | - | - | (2.35) | - | - | - |
| Loan Given | 30.67 | - | - | - | - | - | - | - | - |
| Bank Loan Taken | (62.00) | - | - | - | - | - | - | - | - |
| Bank Balances (including Fixed Deposits) | 17.25 | 0.05 | - | - | - | - | 0.25 | - | - |
| Net | (4.82) | 51.89 | - | 1.11 | - | (2.35) | 2.50 | 0.72 | - |

Foreign Currency Risk Sensitivity

A change in 1% in Foreign Currency would have following Impact on Profit before tax assuming that all other variables, in Particular interest rate remain constant & ignoring any impact of forecast Sales & Purchases.

| | 2022-2023 | | 2021-2022 | |
|--|---------------|-----------------|--------------|----------------|
| | 1% increase | 1% Decrease | 1% increase | 1% Decrease |
| USD | 124.11 | (124.11) | (3.65) | 3.65 |
| EURO | 10.75 | (10.75) | 43.70 | (43.70) |
| GBP | 1.12 | (1.12) | 1.10 | (1.10) |
| Others | (0.88) | 0.88 | 1.84 | (1.84) |
| Net Increase / (Decrease) in Profit or Loss | 135.09 | (135.09) | 42.99 | (42.99) |

ii) 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. The Group has exposure to Interest rate risk, arising principally on changes in base lending rate/ LIBOR rates. As the Percentage of Borrowings with Floating Interest rate is small as Compared to Total Borrowings & hence the interest rate risk for the Group as whole is very Low.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

Exposure to interest rate risk

(₹ in Lakhs)

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|--|--------------------------|--------------------------|
| *Borrowings Bearing Variable rate of Interest | 4,821.73 | 6,674.03 |
| Borrowings other than Variable Rate of Interest | 60,759.43 | 43,940.47 |
| Total Borrowings | 65,581.16 | 50,614.50 |
| % of Borrowings bearing Variable rate of Interest | 7.35 | 13.19 |

* includes Current Maturity on Non Current Borrowings

Interest Rate Sensitivity

A change of 100 Basis Point In Interest rates would have following Impact on Profit before tax

| Particulars | 2022-2023 | 2021-2022 |
|--------------------------|-----------|-----------|
| 100 Basis Point Increase | 48.22 | (66.74) |
| 100 Basis Point Decrease | (48.22) | 66.74 |

Note-The above analysis is prepared for floating rate liabilities assuming the amount of the Liability outstanding at the end of the reporting Period was outstanding for the whole year

3. 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. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Group maintains flexibility in funding by maintaining availability under committed credit lines. The Management monitors rolling forecasts of the Group's Liquidity position and cash and cash equivalents on the basis of the expected cash flows. The Group assessed the Concentration of risk with respect to its debt and concluded it to be low.

Maturity patterns of borrowings

As at 31st March 2023

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|-----------------|-------------------|------------------|
| Long term borrowings (Including current maturity of long term debt) | 1,858.86 | 2,962.87 | - | 4,821.73 |
| Short term borrowings | 60,759.43 | - | - | 60,759.43 |
| Total | 62,618.29 | 2,962.87 | - | 65,581.16 |

As at 31st March 2022

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|-----------------|-------------------|------------------|
| Long term borrowings (Including current maturity of long term debt) | 1,889.81 | 4,784.22 | - | 6,674.03 |
| Short term borrowings | 43,940.47 | - | - | 43,940.47 |
| Total | 45,830.28 | 4,784.22 | - | 50,614.50 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Maturity patterns of other Financial Liabilities

As at 31st March 2023

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|---------------|----------------|------------------|
| Trade Payables | 14,468.78 | - | - | 14,468.78 |
| Other Financial Liabilities (Current & Non Current) | 3,648.88 | 129.78 | - | 3,778.66 |
| Total | 18,117.66 | 129.78 | - | 18,247.44 |

As at 31st March 2022

| | 0-1 years | 1-5 years | Beyond 5 years | Total |
|---|------------------|---------------|----------------|------------------|
| Trade Payables | 14,161.65 | - | - | 14,161.65 |
| Other Financial Liabilities (Current & Non Current) | 3,034.56 | 121.68 | - | 3,156.24 |
| Total | 17,196.21 | 121.68 | - | 17,317.89 |

Note 37 : Capital Risk Management

For the Purpose of Group Capital management , Capital includes equity attributable to the equity holders of the Group and all other equity reserves. The Primary Objective of the Group Capital management is to ensure that it maintains an efficient capital Structure and maximise shareholder Value. The Group is monitoring capital using Net debt equity ratio as its base ,which is Net debt to equity.

The Group Policy is to keep Net debt equity ratio below 1.00 and infuse capital if and when required through better operational results and efficient working capital Management

| | 31-Mar-23 | 31-Mar-22 |
|-------------------------------------|-------------|-------------|
| Net Debt * | 48,674.52 | 43,439.83 |
| Equity attributable to Shareholders | 1,41,581.72 | 1,33,666.84 |
| Net Debt to Total Equity | 0.34 | 0.32 |

* Net Debt= Non Current Borrowings +Current Borrowings -Cash & Cash Equivalents

Note 38 : Interest In Other Entities

The Consolidated Financial Statements present the Consolidated Accounts of Technocraft Industries (India) Limited with its following Subsidiaries (and its Subsidiaries),Joint Ventures & Associate.

| Name of the Company | Country of Incorporation | Year Ended | Proportion of Ownership of Interest | |
|---|--------------------------|------------|-------------------------------------|---------------------|
| | | | As at 31st March 23 | As at 31st March 22 |
| A. Subsidiaries | | | | |
| I. Indian Subsidiaries: | | | | |
| Technosoft Engineering Projects Limited | India | 31st Mar | 84.02% | 84.02% |
| Techno Defence Private Limited | India | 31st Mar | 70.00% | 70.00% |
| Technocraft Fashions Limited | India | 31st Mar | 100.00% | 100.00% |
| Shivale Infra Products Private Limited | India | 31st Mar | 100.00% | 100.00% |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Name of the Company | Country of Incorporation | Year Ended | Proportion of Ownership of Interest | |
|---|--------------------------|------------|-------------------------------------|---------------------|
| | | | As at 31st March 23 | As at 31st March 22 |
| Technocraft Textiles Limited | India | 31st Mar | 100.00% | 100.00% |
| Technocraft Formwork Private Limited (erst while Technomatic Packaging Private Limited) | India | 31st Mar | 100.00% | 100.00% |
| Technocraft Speciality Yarns Limited | India | 31st Mar | 100.00% | 0.00% |
| II. Foreign Subsidiaries: | | | | |
| Technocraft Trading Spolka Z.O.O | Poland | 31st Dec | 100.00% | 100.00% |
| Technocraft International Limited | United Kingdom | 31st Dec | 100.00% | 100.00% |
| Technocraft NZ Limited | New Zealand | 31st Mar | 100.00% | 100.00% |
| Anhui Reliable Steel Technology Co. Ltd. | China | 31st Dec | 100.00% | 100.00% |
| Highmark International Trading –F.Z.E. @ | U.A.E. | 31st Mar | 100.00% | 100.00% |
| AAIT/Technocraft Scaffold Distribution LLC. @ | U.S.A. | 31st Dec | 85.00% | 85.00% |
| "Technosoft Engineering Inc. ++ | U.S.A. | 31st Mar | 100.00% | 100.00% |
| "Technosoft GMBH ++ | Germany | 31st Mar | 90.00% | 90.00% |
| Technosoft Services Inc. +++ | U.S.A. | 31st Mar | 100.00% | 100.00% |
| Technosoft Engineering UK Limited ++ | United Kingdom | 31st Mar | 100.00% | 100.00% |
| Technosoft Innovations Inc, +++ | U.S.A. | 31st Mar | 100.00% | 100.00% |
| ++ Held by Technosoft Engineering Projects Limited | | | | |
| @ Held by Technocraft International Limited | | | | |
| +++ Held by Techhnosoft Engineering Inc. | | | | |
| B. Joint Venture | | | | |
| Technocraft Tabla Formwork Systems (P) Limited. | India | 31st Mar | 65.00% | 65.00% |
| C. Associate | | | | |
| Benten Technologies LLP | India | 31st Mar | 50.00% | 50.00% |

Note No 39 Disclosure in respect of Leases

i) The Group's lease asset primarily consist of leases for Branch office . The Group also has certain leases with lease terms of 12 months or less. The Group applies the Short -term lease recognition exemptions for these leases.

(ii) Following is carrying value of right of use assets and the movements thereof

| Particulars | Amount |
|-------------------------------------|--------|
| Balance as at April 1, 2021 | 8.99 |
| Additions during the year | - |
| Deletion during the year | - |
| Depreciation of Right of use assets | 8.99 |



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

| Particulars | Amount |
|-------------------------------------|--------------|
| Balance as at March 31, 2022 | - |
| Additions during the year | 54.82 |
| Deletion during the year | - |
| Depreciation of Right of use assets | 16.32 |
| Balance as at March 31, 2023 | 38.50 |

iii) **The following is the carrying value of lease liability and movement thereof**

| Particulars | Amount |
|--------------------------------------|--------------|
| Balance as at April 1, 2021 | 9.82 |
| Additions during the year | - |
| Finance Cost accrued during the year | 0.20 |
| Deletions | - |
| Lease Rent Concession | - |
| Payment of Lease Liabilities | 10.02 |
| Balance as at March 31, 2022 | - |
| Additions during the year | 54.82 |
| Finance Cost accrued during the year | 1.90 |
| Deletions | - |
| Lease Rent Concession | - |
| Payment of Lease Liabilities | 17.48 |
| Balance as at March 31, 2023 | 39.24 |

| Particulars | As at 31st March 2023 | As at 31st March 2022 |
|---|--------------------------|--------------------------|
| Current Maturity of Lease Liability (Refer Note 12 (b)) | 39.24 | - |
| Non Current Lease Liability (Refer Note 12(b)) | - | - |

iv) **The weighted average incremental borrowing rate applied to lease liabilities is 12%**

v) **Amount recognised in the statement of profit and Loss during the year**

| Particulars | Year Ended 31st March 2023 | Year Ended 31st March 2022 |
|--|-------------------------------|-------------------------------|
| Depreciation Charge of right of use assets -Leasehold building | 16.32 | 8.99 |
| Finance Cost accrued during the year (included in Finance cost) | 1.90 | 0.20 |

vi) **The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.**



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Note 40 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

| Particulars | 2022-2023 | 2021-2022 |
|--|--|--|
| a) Amount required to be spent by the group during the year | 359.12 | 265.73 |
| b) Amount of expenditure incurred | 464.00 | 230.50 |
| c) Shortfall / (Excess) Amount at the beginning of the year | (149.77) | (185.00) |
| d) Shortfall / (Excess) Amount at the end of the year | (250.00) | (149.77) |
| e) Total of Previous Year Shortfall | - | - |
| f) Reason for Shortfall | - | - |
| g) Nature of CSR Activities | Contribution to Indian Institute of Technology | Contribution to Indian Institute of Technology |
| h) Details of related party transactions in relation to CSR expenditure by Group | - | - |
| i) Excess Amount carried forward to next year to adjust the same against future obligations (Shown under Current Assets in Note No 9) | 250.00 | 149.77 |
| j) Amount debited in the statement of Profit & Loss Account (Refer Note No 25) | 363.77 | 265.73 |

Note 41 : Other Statutory Information

- (i) The Group does not have any Benami property , where any proceeding has been initiated or pending against the Group for holding any Benami Property
- (ii) The Group does not have any transactions with companies struck off .
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period .
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the Financial Year
- (v) The Group has not advanced or loaned or invested funds to any other persons or entities 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 Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not received any fund from any persons or entities , 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.
- (vii) The Group does not have any such transactions 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.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

Note-42 Other Accompanying Notes

1. The Figures have been rounded off to the nearest lakhs of Rupees upto two decimal Places.
2. Previous Years Figures have been regrouped / rearranged where ever necessary to make them Comparable with the Current year Figures

Note 1 to 42 Forms an Integral Part of the Financial Statements

As per our report of even date

For M.L.Sharma & Co
Firm Reg.No.109963W
Chartered Accountants

For and on behalf of Board of Directors

(Vikash L Bajaj)
Partner
M.NO : 104982

Sharad Kumar Saraf
Chairman & Managing Director
DIN 00035843

Sudarshan Kumar Saraf
Co-Chairman & Managing Director
DIN 00035799

Place: Mumbai
Date : 29th May 2023

Neeraj Rai
Company Secretary

Navneet Kumar Saraf
Whole-time Director & CEO
DIN 00035686

Ashish Kumar Saraf
Whole-time Director & CFO
DIN 00035549



Notes to the Consolidated Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Additional information mandated by Schedule III to Companies Act, 2013

| Sr. No. | Name of the Entities | Net Assets, ie Total Assets minus Total Liabilities | | Share in Profit & Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|----------|--|---|--------------------|--------------------------------------|------------------|---|-----------------|---|------------------|
| | | As a % of Consolidated Net Assets | ₹ in Lakhs | As a % of Consolidated Profit & Loss | ₹ in Lakhs | As a % of Consolidated Comprehensive Income | ₹ in Lakhs | As a % of Consolidated Total Comprehensive Income | ₹ in Lakhs |
| A | Parent Company | | | | | | | | |
| 1 | Technocraft Industries (India) Limited | 78.20 | 1,12,794.38 | 65.97 | 18,358.44 | (3.50) | 19.91 | 67.42 | 18,378.35 |
| B | Indian Subsidiaries | | | | | | | | |
| 2 | Technosoft Engineering Projects Limited | 5.08 | 7,322.89 | 4.77 | 1,328.72 | (1.70) | 9.70 | 4.91 | 1,338.42 |
| 3 | Technocraft Tabla Formworks Systems Pvt. Ltd. | 0.00 | 5.43 | (0.00) | (0.19) | - | - | (0.00) | (0.19) |
| 4 | Techno Defence Private Limited | 0.01 | 16.97 | (0.08) | (22.04) | - | - | (0.08) | (22.04) |
| 5 | Shivale Infra Products Pvt Limited | 0.40 | 576.22 | 1.64 | 456.85 | - | - | 1.68 | 456.85 |
| 6 | Technocraft Fashions Limited | (0.01) | (8.55) | 0.18 | 50.45 | (0.01) | 0.08 | 0.19 | 50.53 |
| 7 | Technocraft Textiles Limited | 0.65 | 940.82 | (0.03) | (8.67) | - | - | (0.03) | (8.67) |
| 8 | Technocraft Formworks Private Limited | 0.00 | 0.44 | (0.00) | (0.46) | - | - | (0.00) | (0.46) |
| 9 | Technocraft Speciality Yarns Limited Associate | 0.00 | 0.08 | (0.00) | (0.92) | - | - | (0.00) | (0.92) |
| 10 | Benten Technologies LLP | 0.00 | 0.40 | (0.00) | (0.02) | - | - | (0.00) | (0.02) |
| C | Foreign Subsidiaries | | | | | | | | |
| 11 | Technocraft International, UK | 1.73 | 2,497.18 | (0.04) | (12.26) | (4.47) | 25.46 | 0.05 | 13.20 |
| 12 | Technocraft Trading Spolka, Z o.o., Poland | 0.39 | 557.92 | 1.08 | 299.29 | - | (224.06) | 0.28 | 75.23 |
| 13 | Technocraft NZ Limited | 0.17 | 249.95 | (0.73) | (202.86) | 0.60 | (3.42) | (0.76) | (206.28) |
| 14 | Anhui Reliable Steel Company Ltd, China | 2.39 | 3,442.76 | 2.74 | 761.31 | (0.09) | 0.52 | 2.79 | 761.83 |
| | Step Down Subsidiaries | | | | | | | | |
| 15 | Technosoft Engineering Inc. USA (Erstwhile Impact Eng. Solution Inc.), | 1.52 | 2,199.35 | 1.26 | 351.29 | (27.54) | 156.83 | 1.86 | 508.12 |
| 16 | Highmark International Trading, UAE | 3.17 | 4,572.20 | 3.04 | 846.91 | (56.34) | 320.87 | 4.28 | 1,167.78 |
| 17 | Technosoft Innovations Inc | 0.17 | 239.99 | 0.76 | 212.65 | (1.76) | 10.04 | 0.82 | 222.69 |
| 18 | Technosoft GMBH | 0.04 | 60.08 | 0.26 | 71.03 | 0.23 | (1.33) | 0.26 | 69.70 |
| 19 | AAIT/ Technocraft Scaffold Distribution LLC | 3.94 | 5,676.37 | 15.00 | 4,175.16 | 137.03 | (780.48) | 12.45 | 3,394.68 |
| 20 | Technosoft Services Inc | 0.25 | 364.81 | 0.03 | 7.21 | (4.92) | 28.02 | 0.13 | 35.23 |
| 21 | Technosoft Engineering UK Limited | 0.05 | 72.03 | 0.14 | 37.77 | (0.71) | 4.02 | 0.15 | 41.79 |
| | Sub Total -1 (Owner of Equity) | 98.16 | 1,41,581.72 | 95.98 | 26,709.66 | 76.17 | (433.84) | 96.39 | 26,275.82 |
| | Non Controlling Interest in all Subsidiaries | | | | | | | | |
| | Indian | 1.14 | 1,643.31 | 1.34 | 374.08 | (0.32) | 1.85 | 1.38 | 375.93 |
| | Foreign | 0.70 | 1,012.49 | 2.68 | 744.69 | 24.15 | (137.57) | 2.23 | 607.12 |
| | Sub Total -2 (Minority Interest) | 1.84 | 2,655.80 | 4.02 | 1,118.77 | 23.63 | (135.72) | 3.61 | 983.05 |
| | Total (1+2) | 100.00 | 1,44,237.52 | 100.00 | 27,828.43 | 100.00 | (569.56) | 100.00 | 27,258.87 |

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

₹ in Lakhs

| Sr. No. | Name of the subsidiary | Date Since when Sub-sidiary acquired | Reporting period | Report- ing cur- rency | Exchange rate as on last day of financial year | Share Capital | Reserves & Surplus | Total assets | Total Liabilities | Invest- ments (Excluding Investment in Subsi- aries) | Turnover | Profit before Tax | Provision for Tax | Profit after Tax | Proposed Dividend | Extent of Share- holding |
|----------|---|--------------------------------------|--------------------------|------------------------|--|---------------|--------------------|--------------|-------------------|--|----------|-------------------|-------------------|------------------|-------------------|--------------------------|
| A | Indian Subsidiaries | | | | | | | | | | | | | | | |
| 1 | Technosoft Engineering Projects Limited | 28.02.2000 | 01.04.2022 To 31.03.2023 | INR | - | 59.50 | 9,593.06 | 11,312.60 | 1,660.04 | 6,790.40 | 6,469.47 | 2,250.59 | 538.34 | 1,712.25 | - | 84.02% |
| 2 | Technocraft Tabla Formworks Systems Pvt. Ltd. | 25.03.2010 | 01.04.2022 To 31.03.2023 | INR | - | 100.00 | (91.65) | 8.41 | 0.06 | - | - | (0.30) | - | (0.30) | - | 65% |
| 3 | Techno Defence Private Limited | 25.10.2016 | 01.04.2022 To 31.03.2023 | INR | - | 1.00 | 23.25 | 36.58 | 12.33 | - | 22.36 | (40.18) | (8.69) | (31.49) | - | 70% |
| 4 | Shivale Infracore Private Limited | 28.11.2019 | 01.04.2022 To 31.03.2023 | INR | - | 5.00 | 571.22 | 1,491.13 | 914.91 | - | 756.19 | 613.60 | 156.75 | 456.85 | - | 100% |
| 5 | Technocraft Fashions Limited | 15.10.2020 | 01.04.2022 To 31.03.2023 | INR | - | 25.00 | (33.55) | 2,203.19 | 2,211.74 | - | 3,083.96 | 67.74 | 17.29 | 50.45 | - | 100% |
| 6 | Technocraft Textiles Limited | 02.11.2021 | 01.04.2022 To 31.03.2023 | INR | - | 950.00 | (9.18) | 1,233.70 | 292.88 | - | - | (10.38) | (1.71) | (8.67) | - | 100% |
| 7 | Technocraft Formworks Private Limited | 24.03.2022 | 01.04.2022 To 31.03.2023 | INR | - | 1.00 | (0.56) | 181.78 | 181.34 | - | - | (0.55) | (0.09) | (0.46) | - | 100% |
| 8 | Technocraft Speciality Yarns Limited | 08.04.2022 | 08.04.2022 To 31-3-2023 | INR | - | 1.00 | (0.92) | 120.91 | 120.83 | - | - | (1.11) | (0.19) | (0.92) | - | 100% |
| 9 | Beten Technologies LLP | 06.06.2019 | 01.04.2022 To 31.03.2023 | INR | - | 1.00 | (0.20) | 0.80 | - | - | - | (0.04) | - | (0.04) | - | 50% |
| B | Direct Foreign Subsidiaries | | | | | | | | | | | | | | | |
| 10 | Technocraft International Limited, UK # | 02.04.1993 | 01.01.2022 To 31.12.2022 | GBP | 101.6475 | 1,224.14 | 1,304.53 | 4,716.59 | 2,187.92 | - | 2,178.41 | 693.23 | 7.05 | 686.18 | - | 100% |
| 11 | Technocraft Trading Spolka, Z o.o., Poland # | 14.05.1998 | 01.01.2022 To 31.12.2022 | PLN | 19.1409 | 265.07 | 292.85 | 6,432.95 | 5,875.03 | - | 4,976.58 | 339.28 | 39.99 | 299.29 | - | 100% |
| 12 | Anhui Reliable Steel Company Ltd, China # | 10.04.2008 | 01.01.2022 To 31.12.2022 | RMB | 11.9475 | 1,080.16 | 2,362.60 | 7,594.51 | 4,151.75 | - | 8,047.64 | 1,016.57 | 255.26 | 761.31 | - | 100% |





| Sr. No. | Name of the subsidiary | Date Since when Sub-sidiary acquired | Reporting period | Report- ing cur- rency | Exchange rate as on last day of financial year | Share Capital | Reserves & Surplus | Total assets | Total Liabilities | Invest- ments (Excluding Investment in Subsi- aries) | Turnover | Profit before Tax | Provision for Tax | Profit after Tax | Proposed Dividend | Extent of Share- holding |
|----------|--|--------------------------------------|--------------------------|------------------------|--|---------------|--------------------|--------------|-------------------|--|-----------|-------------------|-------------------|------------------|-------------------|--------------------------|
| 13 | Technocraft NZ Ltd, Newzealand | 07.12.2018 | 01.04.2022 To 31.03.2023 | NZD | 51.4875 | 46.91 | 203.04 | 3,615.27 | 3,365.32 | - | 2,771.93 | (112.49) | 90.37 | (202.86) | - | 100% |
| C | Step Down Subsidiaries | | | | | | | | | | | | | | | |
| 14 | Technosoft Engineering Inc. USA (Erstwhile Impact Eng. Solution Inc.), | 31.08.2006 | 01.04.2022 To 31.03.2023 | USD | 82.1700 | 426.80 | 1,782.42 | 2,895.50 | 686.28 | - | 9,482.69 | 506.78 | 155.49 | 351.29 | - | 100% |
| 15 | Technosoft Engineering UK Ltd | 10.05.2017 | 01.04.2022 To 31.03.2023 | GBP | 101.6475 | 0.00 | 72.03 | 400.34 | 328.31 | - | 897.02 | 47.69 | 9.92 | 37.77 | - | 100% |
| 16 | Technosoft GMBH, Germany [Erstwhile CAE Systems GMBH] | 01.09.2005 | 01.04.2022 To 31.03.2023 | EURO | 89.4425 | 38.62 | 31.44 | 256.86 | 186.80 | - | 1,188.27 | 93.39 | 14.47 | 76.92 | - | 90% |
| 17 | Highmark International Trading FZE, UAE | 22.09.2014 | 01.04.2022 To 31.03.2023 | AED | 22.3725 | 31.49 | 4,540.71 | 4,588.28 | 16.08 | - | 913.56 | 846.91 | - | 846.91 | - | 100% |
| 18 | AAIT/Technocraft Scaffold Distribution LLC, USA # | 12.10.2016 | 01.01.2022 To 31.12.2022 | USD | 82.1700 | 0.07 | 6,678.80 | 46,271.04 | 39,592.17 | - | 36,746.87 | 6,184.29 | 1,272.31 | 4,911.98 | - | 85% |
| 19 | Technosoft Innovations Inc, USA | 01.06.2016 | 01.04.2022 To 31.03.2023 | USD | 82.1700 | 3.35 | 236.64 | 620.03 | 380.04 | - | 1,270.20 | 235.11 | 22.46 | 212.65 | - | 100% |
| 20 | Technosoft Services Inc, USA | 23.06.2017 | 01.04.2022 To 31.03.2023 | USD | 82.1700 | 6.52 | 358.30 | 431.96 | 67.14 | - | 1,426.32 | 29.47 | 22.25 | 7.22 | - | 100% |

Company having 31st December as reporting date.

As per our report of even date

For M.L.Sharma & Co
Firm Reg.No.109963W
 Chartered Accountants

For and on behalf of Board of Directors

(Vikash L Bajaj) Partner
 M.NO : 104982

Sharad Kumar Saraf
 Chairman & Managing Director
 DIN 00035843

Sudarshan Kumar Saraf
 Co-Chairman & Managing Director
 DIN 00035799

Place: Mumbai
Date : 29th May 2023

Navneet Kumar Saraf
 Whole-time Director & CEO
 DIN 00035686

Ashish Kumar Saraf
 Whole-time Director & CFO
 DIN 00035549



TECHNOCRAFT INDUSTRIES (INDIA) LTD.

Annual Report 2022 - 23

Technocraft House.

A25, Road no. 3, MIDC, Andheri East. Mumbai 400093. INDIA.

Tel. No.: (91) 22 4098 2222 / 4098 2202

www.technocraftgroup.com