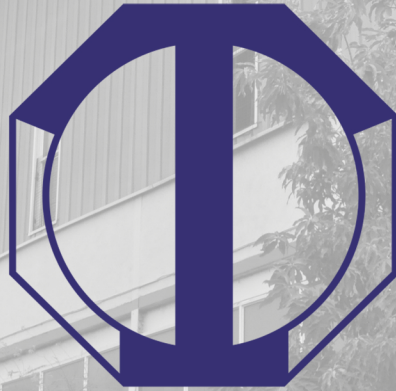
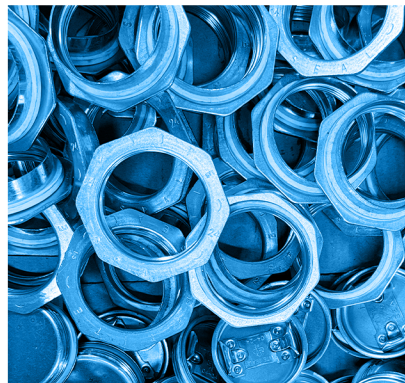
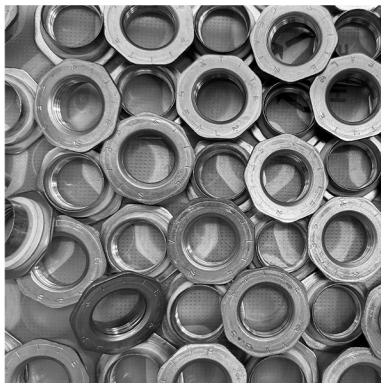
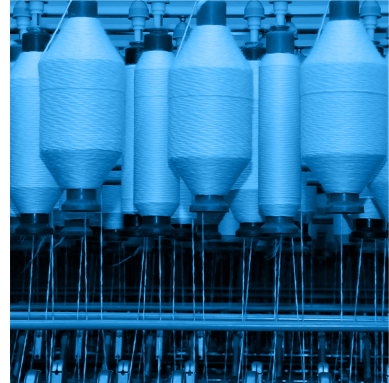


**50** Years and counting

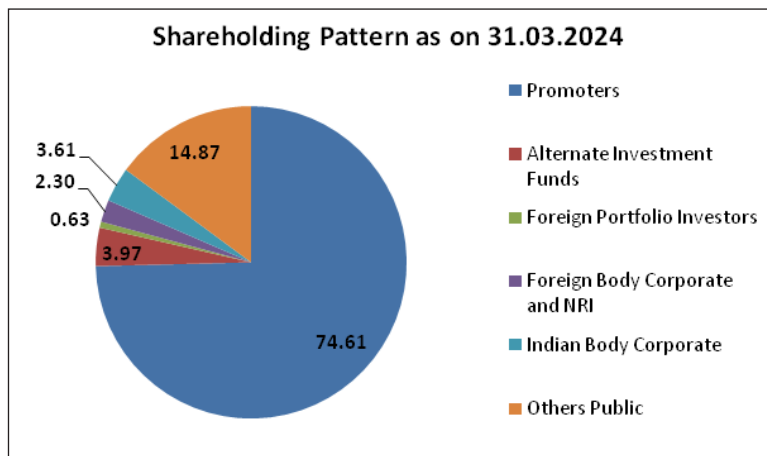
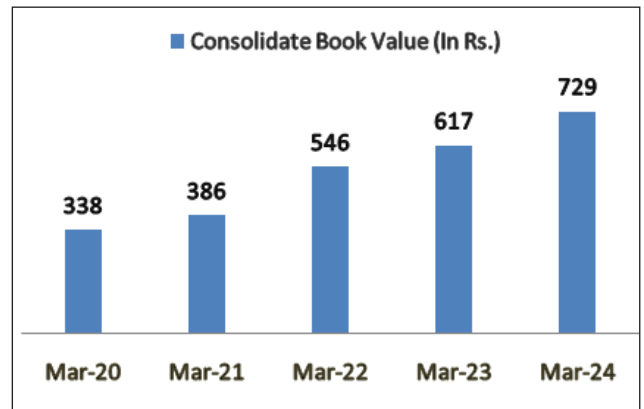
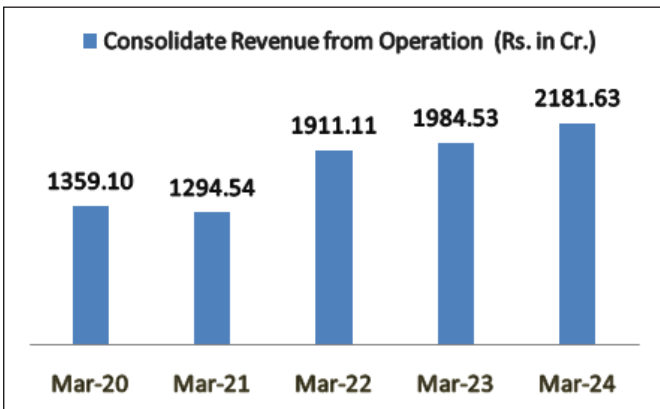
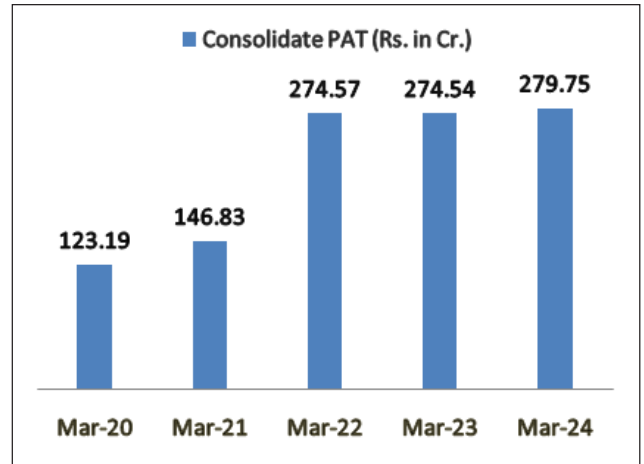
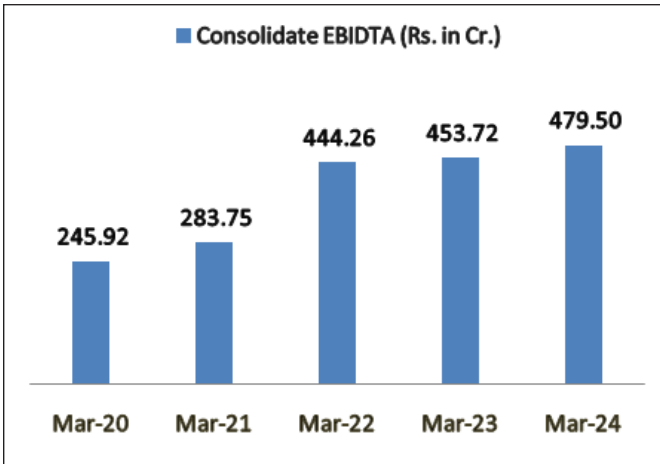


**TECHNOCRAFT INDUSTRIES (INDIA) LTD.**



**Annual Report 2023 - 24**

# FINANCIAL SNAPSHOT 2023-24





## GENERAL INFORMATION

### BOARD OF DIRECTORS

Dr. Sharad Kumar Saraf  
Mr. Sudarshan Kumar Saraf  
Mr. Navneet Kumar Saraf  
Mr. Ashish Kumar Saraf  
Mr. Atanu Chaudhary  
Mr. Vinod B. Agarwala  
Mr. Jagdeesh Mal Mehta  
Mr. Vishwambhar C. Saraf  
Ms. Vaishali Choudhari  
Mr. Aubrey I. Rebello  
Mr. Rohit Rajgopal Dhoot  
Mr. Shankar Shivram Jadhav  
Mrs. Swati Vikas Khemani  
Mr. Murarailal Jhunjhunwala

Chairman & Managing Director  
Co- Chairman & Managing Director  
Whole-time Director & CEO  
Whole-time Director & CFO  
Whole-time Director  
Independent Director (Till 19th Sept., 2024)  
Independent Director (Till 29th Sept., 2024)  
Independent Director (Till 19th Sept., 2024)  
Independent Director (Till 29th Sept., 2024)  
Independent Director  
Independent Director (w.e.f. 19th Sept., 2024)  
Independent Director (w.e.f. 19th Sept., 2024)  
Independent Director (w.e.f. 19th Sept., 2024)  
Independent Director (w.e.f. 19th Sept., 2024)

### 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

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## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 32nd Annual General Meeting of the Members of the Technocraft Industries (India) Limited will be held on Monday, September 30, 2024, 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, 2024, 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, 2024, 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, 2024, together with the reports of Auditors thereon presented before this meeting, be and are hereby considered and adopted."
2. To appoint Mr. Sharad 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. Sharad Kumar Saraf (holding DIN: 00035843), 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. Atanu Anil Choudhary, 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. Atanu Anil Choudhary (holding DIN :02368362) 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, 2024, 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 2024-25, amounting to ₹ 1,00,000/- (Rupees One Lakhs only) as also the payment of tax as applicable and re-imbursment 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."
5. To Appoint Mr. Rohit Rajgopal Dhoot (DIN: 00016856), as an Independent Director of the Company and in this regard, pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of Mr. Rohit Rajgopal Dhoot (DIN: 00016856), who was appointed as an Additional Director, in the





capacity of an Independent Director, of the Company with effect from September 19, 2024, and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from September 19, 2024, up to September 18, 2029.

**RESOLVED FURTHER THAT** any of the Board of Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable or expedient to give effect to the above resolution.”

6. To Appoint Mr. Shankar Shivram Jadhav (DIN: 06924145), as an Independent Director of the Company and in this regard, pass the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of Mr. Shankar Shivram Jadhav (DIN: 06924145), who was appointed as an Additional Director, in the capacity of an Independent Director, of the Company with effect from September 19, 2024, and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from September 19, 2024 up to September 18, 2029.

**RESOLVED FURTHER THAT** any of the Board of Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable or expedient to give effect to the above resolution.”

7. To Appoint Mrs. Swati Vikas Khemani (DIN: 03130201), as an Independent Director of the Company and in this regard, pass the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of Articles of Association of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of Mrs. Swati Vikas Khemani (DIN:03130201), who was appointed as an Additional Director, in the capacity of an Independent Director, of the Company with effect from September 19, 2024, and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from September 19, 2024 up to September 18, 2029.

**RESOLVED FURTHER THAT** any of the Board of Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable or expedient to give effect to the above resolution.”

8. To Appoint Mr. Murarilal Jhunjhunwala (DIN: 00888526), as an Independent Director of the Company and in this regard, pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules made thereunder (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the provisions of Articles of Association of the Company, and based on the recommendation of the Nomination



and Remuneration Committee and the Board of Directors, approval of the members be and is hereby accorded for appointment of Mr. Murarilal Jhunjhunwala (DIN:00888526), who was appointed as an Additional Director, in the capacity of an Independent Director, of the Company with effect from September 19, 2024, and who has submitted a declaration that he meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from September 19, 2024 up to September 18, 2029.

**RESOLVED FURTHER THAT** any of the Board of Directors or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable or expedient to give effect to the above resolution.”

9. Approval for entering into transactions with AAIT/Technocraft Scaffold Distribution LLC FZE, a step-down subsidiary and in this regard, pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirement), 2015 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, approval of the members be and is hereby accorded for entering into transactions with AAIT/ Technocraft Scaffold Distribution LLC FZE, a step down subsidiary, for distribution of scaffolding as export sale upto ₹ 600 Crores for Financial Year 2024-25, on such terms and conditions as defined in the explanatory statement”.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transactions with the related party, make such changes to the terms and conditions as may be considered necessary or desirable in order to give effect to this resolution in the best interest of the Company.”

**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 13, 2024

**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 to 9 of the Notice is annexed hereto. The relevant details pursuant to Regulation 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. 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, Circular No. 10/2022 dated 28th December, 2022 and latest being Circular No. 09/2023 dated 25th September 2023 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 32nd AGM 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 2023-24 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](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The Notice is also available on the website of NSDL at [www.evoting.nsd.com](http://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. Members holding shares in physical form can avail the facility of nomination on their shareholding pursuant to the provisions of Section 72 of the Act and for the same, they are advised to send their nomination in the prescribed Form No. SH-13 to RTA.
10. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility. The Members may also visit Company's website viz. [www.technocraftgroup.com](http://www.technocraftgroup.com) and website of RTA viz. <https://liiplweb.linkintime.co.in/KYC-downloads.html> for downloading Form SH-13 and other Nomination and KYC related documents.
11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. However, Members holding shares in physical mode can submit their PAN to the Company/RTA.
13. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the investor section of [www.technocraftgroup.com](http://www.technocraftgroup.com) and on the website of the Company's RTA at <https://liiplweb.linkintime.co.in/>





client-downloads.html It may be noted that any service request can be processed only after the folio is KYC compliant.

14. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD1/P/CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 dated November 3, 2021 and SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities. The folios wherein any one of the cited documents/details is not available on or after October 01, 2023, such folios shall be frozen by the RTA.

Folios remaining frozen till December 31, 2025, will be referred by the RTA/the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002. A communication, in this regard, was also sent, through post, to the Members holding shares in physical mode. Members are further requested to quote their folio numbers/Client ID/DP ID in all correspondence with Company or the RTA.

15. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Company's RTA, details of such folios together with the share certificates and KYC proof(s) viz. PAN, Aadhar etc. for consolidating their holding in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

**16. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on September 26, 2024, at 9:00 A.M. and ends on September 29, 2024, 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 23, 2024, 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 23, 2024.

**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 meetings 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. | 1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDeAS</b> ' 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 " <b>Access to e-Voting</b> " under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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. |



| Type of shareholders   | Login Method  |
|--|---|
|  | <ol style="list-style-type: none"><li data-bbox="456 227 1489 318">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li data-bbox="456 338 1489 687">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li><li data-bbox="456 707 1489 768">4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.<br/><p data-bbox="815 782 1126 802">NSDL Mobile App is available on</p><p data-bbox="815 822 1126 852"> App Store  Google Play</p><div data-bbox="842 868 1102 963"> </div></li></ol>  |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"><li data-bbox="456 995 1489 1185">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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi tab and then use your existing my easi username &amp; password.</li><li data-bbox="456 1205 1489 1427">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 &amp; 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.</li><li data-bbox="456 1447 1489 1538">3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li><li data-bbox="456 1558 1489 1739">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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li></ol> |



| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | 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. |

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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 eservices 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<br>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<br>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<br>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:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) 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.
  - c) How to retrieve your 'initial password'?
    - (i) 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'.
    - (ii) 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:
  - a) 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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) 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](mailto:csniteshjain@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://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](mailto:evoting@nsdl.co.in).
4. Members who would like to express their views/ask questions during the 32nd 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](mailto: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 32nd 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 32nd 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 the 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, 2024, 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 ₹ 1,00,000 plus tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on March 31, 2025.

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.

#### **Item No.5**

The Board of Directors, at its meeting held on August 13, 2024, appointed Mr. Rohit Rajgopal Dhoot as an Additional Director of the Company with effect from September 19, 2024, pursuant to Section 161 of the Companies Act, 2013, read with Article 89 of the Articles of Association of the Company.

Mr. Rohit Rajgopal Dhoot, aged about 55 years, has been the Managing Director of Dhoot Industrial Finance Limited since 1994 and has an opulent experience of more than 30 years. He achieved the distinction of being one of the youngest Chartered Accountants in the country.





He joined the management of Dhoot Industrial Finance Limited in 1988 as a director of the Company and was in-charge of marketing and expansion of business. He has an all- encompassing background and experience in Finance, Investing, Banking, Mergers and Acquisitions, Strategic Planning, Restructuring Operations, Export Marketing, Trading and Logistics, International Business Relations and Collaborations & Joint Ventures.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Rohit Rajgopal Dhoot will hold office up to the date of the ensuing AGM. The Nomination and Remuneration Committee of the Company has recommended the appointment of Mr. Rohit Rajgopal Dhoot.

The Company has received from Mr. Rohit Rajgopal Dhoot (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Subsection (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company at their respective Meetings held on August 13, 2024, subject to the approval of the Members and in accordance with the provisions of Section 149 of the Companies Act, 2013, have approved the appointment of Mr. Rohit Rajgopal Dhoot as an Independent Director of the Company for a period five years.

The resolution seeks the approval of members for the appointment of Mr. Rohit Rajgopal Dhoot as an Independent Director of the Company for a period of five years, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

Pursuant to Regulation 25(2A) of SEBI Listing Regulations “the appointment of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution”.

In the opinion of the Board, Mr. Rohit Rajgopal Dhoot, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Rohit Rajgopal Dhoot as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

No director, key managerial personnel or their relatives, except Mr. Rohit Rajgopal Dhoot, to whom the resolution relates, are interested or concerned in the resolution.

This Explanatory Statement may also be regarded as a disclosure under SEBI Listing Regulations.

#### **Item No.6**

The Board of Directors, at its meeting held on August 13, 2024, appointed Mr. Shankar Shivram Jadhav as an Additional Director of the Company with effect from September 19, 2024, pursuant to Section 161 of the Companies Act, 2013, read with Article 89 of the Articles of Association of the Company.

Mr. Shankar Shivram Jadhav, aged about 57 years, has been the Managing Director of BSE Investments Limited and the Chief Strategy officer of Bombay Stock Exchange (BSE) which is Asia's oldest stock exchange. He has also been named in the top 50 influential persons in business in India and has also received various awards. He also mentors startups and limited companies.

He has served as a Director on the Board of various Companies including Government, Section 8, Private & Public Companies. He has rich and varied experience in Legal Commercial Business Responsibility Marketing, Corporate Communications, Corporate funding, Cyber security, Intellectual property rights, arbitration & SAT related matters.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Shankar Shivram Jadhav will hold office up to the date of the ensuing AGM. The Nomination and Remuneration Committee of the Company has recommended the appointment of Mr. Shankar Shivram Jadhav.

The Company has received from Mr. Shankar Shivram Jadhav (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in



terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Subsection (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company at their respective Meetings held on August 13, 2024, subject to the approval of the Members and in accordance with the provisions of Section 149 of the Companies Act, 2013, have approved the appointment of Mr. Shankar Shivram Jadhav as an Independent Director of the Company for a period five years.

The resolution seeks the approval of members for the appointment of Mr. Shankar Shivram Jadhav as an Independent Director of the Company for a period of five years, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

Pursuant to Regulation 25(2A) of SEBI Listing Regulations “the appointment of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution”.

In the opinion of the Board, Mr. Shankar Shivram Jadhav, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Shankar Shivram Jadhav as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

No director, key managerial personnel or their relatives, except Mr. Shankar Shivram Jadhav, to whom the resolution relates, are interested or concerned in the resolution.

This Explanatory Statement may also be regarded as a disclosure under SEBI Listing Regulations.

#### **Item No.7**

The Board of Directors, at its meeting held on August 13, 2024, appointed Mrs. Swati Vikas Khemani as an Additional Director of the Company with effect from September 19, 2024, pursuant to Section 161 of the Companies Act, 2013, read with Article 89 of the Articles of Association of the Company.

Mrs. Swati Vikas Khemani, aged about 45 years, has been the Co-founder & Director of Carnelian Asset Management & Advisors Pvt Ltd since 2019 and has an experience of around 20 years in Business development & operations, Investment Banking etc.

She has rich experience across different verticals in the Financial Services sector. She has actively covered the financial sponsors and enjoys a good relationship with the investor & corporate community. She has an excellent track record in understanding businesses, investing and relationship building and manages angel investing, Fund Raising, M&A transaction and Institutional Equities covering both Equity research & Institutional Sales.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Swati Vikas Khemani will hold office up to the date of the ensuing AGM. The Nomination and Remuneration Committee of the Company has recommended the appointment of Mrs. Swati Vikas Khemani.

The Company has received from Mrs. Swati Vikas Khemani (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Subsection (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company at their respective Meetings held on August 13, 2024, subject to the approval of the Members and in accordance with the provisions of Section 149 of the Companies Act, 2013, have approved the appointment of Mrs. Swati Vikas Khemani as an Independent Director of the Company for a period five years.



The resolution seeks the approval of members for the appointment of Mrs. Swati Vikas Khemani as an Independent Director of the Company for a period of five years, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

Pursuant to Regulation 25(2A) of SEBI Listing Regulations “the appointment of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution”.

In the opinion of the Board, Mrs. Swati Vikas Khemani, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mrs. Swati Vikas Khemani as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

No director, key managerial personnel or their relatives, except Mrs. Swati Vikas Khemani, to whom the resolution relates, are interested or concerned in the resolution.

This Explanatory Statement may also be regarded as a disclosure under SEBI Listing Regulations.

#### **Item No.8**

The Board of Directors, at its meeting held on August 13, 2024, appointed Mr. Murarilal Jhunjhunwala as an Additional Director of the Company with effect from September 19, 2024, pursuant to Section 161 of the Companies Act, 2013, read with Article 89 of the Articles of Association of the Company.

Mr. Murarilal Jhunjhunwala, aged about 69 years is a commerce graduate from Bombay University, He is also an Associate member of Institute of Cost Accountants of India since 1982.

He has more than 50 years working experience in textile industry. Currently he is an Executive Director of Indian Spinners Association.

He has worked with various companies under textile Industry. His core competence is in Forex Management and Risk Management, Foreign Trade Policy, Custom and DGFT affairs. He is an expert in Anti-Dumping duty matters. Presently he is working as investment adviser.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Murarilal Jhunjhunwala will hold office up to the date of the ensuing AGM. The Nomination and Remuneration Committee of the Company has recommended the appointment of Mr. Murarilal Jhunjhunwala.

The Company has received from Mr. Murarilal Jhunjhunwala (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Subsection (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company at their respective Meetings held on August 13, 2024, subject to the approval of the Members and in accordance with the provisions of Section 149 of the Companies Act, 2013, have approved the appointment of Mr. Murarilal Jhunjhunwala as an Independent Director of the Company for a period five years.

The resolution seeks the approval of members for the appointment of Mr. Murarilal Jhunjhunwala as an Independent Director of the Company for a period of five years, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

Pursuant to Regulation 25(2A) of SEBI Listing Regulations “the appointment of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution”.

In the opinion of the Board, Mr. Murarilal Jhunjhunwala, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Murarilal Jhunjhunwala as an Independent Director



setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office.

The Board recommends the resolution set forth in Item No. 8 for the approval of the members.

No director, key managerial personnel or their relatives, except Mr. Murarilal Jhunjunwala, to whom the resolution relates, are interested or concerned in the resolution.

This Explanatory Statement may also be regarded as a disclosure under SEBI Listing Regulations.

#### Item No.9

AAIT/Technocraft Scaffold Distribution LLC FZE ("AAIT") is a 'Related Party' within the meaning of Section 2 (76) of the Companies Act, 2013 and Regulation 2 (1)(zb) of the SEBI Listing Regulations. AAIT is a subsidiary of wholly owned subsidiary Technocraft International, UK. The Board of Directors of the Company had, on the recommendation of the Audit Committee, passed a resolution at its meeting held on August 13, 2024, approving of the related party transaction for sale of scaffoldings upto ₹ 600 Crores.

| Name of the Related Party                                | Name of the director of Key managerial personnel who is related, if any | Nature of relationship | Nature, material terms, monetary value and particulars of the contract or arrangement   | Any other information relevant or important for the members to take a decision on the proposed resolution. |
|--|---|------------------------|---|--|
| AAIT/ Technocraft Scaffold Distribution LLC FZE ("AAIT") | Not Applicable  | Step-down subsidiary   | AAIT is a distribution Company for sale of scaffolding out of India.<br>Sale of scaffoldings upto ₹ 600 Crores for Financial Year 2024-25 | The transactions are in the ordinary course of business and are at an Arm's Length basis.                  |

The Board of Directors of the Company has, on the recommendation of the Audit Committee, agreed sale the scaffoldings. As the enhanced limit of ₹ 600 Crores exceeds 10% of the Company's turnover for the last financial year ended March 31, 2024, the export sale of scaffoldings to AAIT would be deemed to be a 'material' related party transaction.

Under Regulation 23 (4) of the SEBI Listing Regulations, all material related party transactions have to be approved by Ordinary resolution of the shareholders and the related parties shall abstain from voting on such resolution whether the entity is a related party to the transaction or not.

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 are concerned or interested in the proposed Resolution as set out in the Notice, except to the extent of their shareholding, if any, in the Company.

#### 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 13, 2024

**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.

| <b>Name of the Directors</b>  | <b>Mr. Sharad Kumar Saraf</b>  | <b>Mr. Atanu Anil Choudhary</b>   | <b>Mr. Murarilal Jhunjunwala</b>   |
|---|--|---|--|
| Age   | 76 Years   | 63 Years  | 69 years   |
| Date of Appointment   | 28th October, 1992   | October 24, 2008  | 19th September, 2024   |
| DIN   | 00035843   | 02368362  | 00888526   |
| Expertise in specific functional areas  | He has over 5 decades of experience in the Administration, Marketing, Strategic, Business development and Commercial aspects of the Company. | He is having rich experience in steel and pipe industries, since 2008 he is working as occupier of the factories under the Factory Act, 1948. | He has more than 50 years' working experience in the textile industry. Currently he is an Executive Director of Indian Spinners Association. |
| No. of equity shares held in TIIL   | 4,06,840 individually and 22,05,366 as Karta of HUF  | NIL   | NIL  |
| Qualifications  | Electronics Engineering from the prestigious Indian Institute of Technology, Bombay  | Commerce Graduate   | Commerce Graduate, Associate member of Institute of Cost Accountants of India  |
| List of other directorships in listed entities (Other than TIIL)                  | NIL  | NIL   | NIL  |
| Membership/ Chairman of Committees of the other listed entities (Other than TIIL) | NIL  | NIL   | NIL  |
| Relationships, if any, between Directors inter-se                                 | Mr. Sharad Kumar Saraf is a brother of Mr. Sudarshan Kumar Saraf and father of Mr. Ashish Kumar Saraf  | NIL   | NIL  |



| <b>Name of the Directors</b>  | <b>Mr. Rohit Rajgopal Dhoot</b>  | <b>Mr. Shankar Shivram Jadhav</b>  | <b>Mrs. Swati Vikas Khemani</b>  |
|---|--|--|--|
| Age   | 55 Years   | 57 Years   | 45 Years   |
| Date of Appointment   | 19th September, 2024   | 19th September, 2024   | 19th September, 2024   |
| DIN   | 00016856   | 06924145   | 03130201   |
| Expertise in specific functional areas  | He has over 3 decades of experience in Finance, Investing, Banking, Mergers and Acquisitions, Strategic Planning, Restructuring Operations, Export Marketing, Trading and Logistics, International Business Relations and Collaborations & Joint Ventures. | He has rich and varied experience in Legal Commercial Business Responsibility Marketing, Corporate Communications, Corporate funding, Cyber security, Intellectual property rights, arbitration & SAT related matters. | She has experience of around 20 years in Business development, Client Relationship, Head of Marketing & Sales, operations, Investment Banking etc. |
| No. of equity shares held in TIIL   | 1000 Equity Shares   | NIL  | NIL  |
| Qualifications  | Chartered Accountant   | B. Tech from the prestigious Indian Institute of Technology, Bombay, MBA/PGDM from IIM Ahmedabad, LLB  | Chartered Accountant   |
| List of other directorships in listed entities (Other than TIIL)                  | Dhoot Industrial Finance Ltd.<br>Sultej Textile & Industries Ltd.<br>The Indian Hume Pipe Co. Ltd<br>Hindustan Oil Exploration Co. Ltd   | NIL  | NIL  |
| Membership/ Chairman of Committees of the other listed entities (Other than TIIL) | Membership of Audit Committee in Sultej Textiles and Industries Ltd and Hindustan Oil Exploration Company Ltd<br>Membership of Stakeholder Relationship Committee in Hindustan Oil Exploration Company Ltd   | NIL  | NIL  |
| Relationships, if any, between Directors inter-se                                 | NIL  | NIL  | NIL  |



## BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in presenting, Thirty-Second Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended March 31, 2024.

### Financial highlights

(₹ in Lakhs)

| Particulars  | Standalone        |                    | Consolidated       |                   |
|--|-------------------|--------------------|--------------------|-------------------|
|  | 2023-24           | 2022-23            | 2023-24            | 2022-23           |
| Revenue from operations  | 164,281.52        | 1,82,509.02        | 218,162.84         | 1,98,453.19       |
| Other Income   | 7,377.7           | 5,139.82           | 8,990.84           | 5,036.81          |
| Total Income   | <b>171,659.22</b> | <b>1,87,648.84</b> | <b>2,27,153.68</b> | <b>2,03,490.0</b> |
| Earnings before Interest, Depreciation and Tax (EBITA)                                 | 30,815.58         | 32,387.03          | 47,950.37          | 45,372.27         |
| <b>Less:</b> Finance costs   | 3,007.4           | 2,251.96           | 3,966.83           | 2,793.22          |
| Depreciation   | 5,353.45          | 5,359.51           | 6,768.85           | 6,401.54          |
| Profit before tax from continuing operations   | <b>22,454.73</b>  | <b>24,775.56</b>   | <b>37,214.69</b>   | <b>36,177.51</b>  |
| <b>Less:</b> Tax expense   | 5,534.91          | 6,131.97           | 9,239.51           | 8,723.24          |
| Profit after tax from continuing operations  | <b>16,919.82</b>  | <b>18,643.59</b>   | <b>27,975.18</b>   | <b>27,454.27</b>  |
| Net profit / (loss) for the period from discontinued operations after tax              | <b>(51.36)</b>    | <b>374.16</b>      | <b>(51.36)</b>     | <b>374.16</b>     |
| Net profit / (loss) for the period from continuing & discontinued operations after tax | <b>16,868.46</b>  | <b>19,017.75</b>   | <b>27,923.82</b>   | <b>27,828.43</b>  |
| Add: Other comprehensive income  | -46.48            | 19.91              | -533.73            | -569.56           |
| Total comprehensive income carried to other equity                                     | <b>16,821.98</b>  | <b>19,037.66</b>   | <b>27,388.09</b>   | <b>27,258.87</b>  |

### 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](https://technocraftgroup.com/pdf/Dividend_Distribution_Policy_TIIL.pdf)

### Reserves

During the year under review no amount was transferred to General Reserves.

### Operations

During the year under review the Company has closed the year with total standalone revenue of ₹ 164,281.52 Lakhs, compared to ₹ 182,509.02 Lakhs, of previous year. On Consolidated basis the total revenue is ₹ 218,162.84 Lakhs, compared to ₹ 198,453.19 Lakhs, of previous year which is up by 9.93%.

Standalone EBITDA Stood at ₹ 30,815.58 Lakhs, compared to ₹ 32,387.03 Lakhs, of previous year. Consolidated EBITDA improved to ₹ 47,950.37 Lakhs compared to ₹ 45,372.27 Lakhs, which is up by 5.68%.

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 in China.

During the year under review, Company has set up two new units in scaffoldings division for manufacturing of Aluminum Fabrication and Aluminum Extrusions at Aurangabad, Maharashtra through its wholly owned subsidiaries namely Technocraft Formworks Private Limited and Technocraft Extrusions Private Limited. Also, one unit is set up for manufacturing Greige Yarn at Amravati, Maharashtra through its wholly owned subsidiary namely Technocraft Textiles Limited. However, the Company has discontinued Milange Yarn Unit located in Murbad, District Thane.

### 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, 2024 does not contain any qualification, reservation or adverse remark.

### Secretarial Audit

Secretarial Audit for the financial year 2023-24 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, 2024, has appointed M/s NKJ & Associates, Cost Accountant as Cost Auditors of the Company for the Financial Year 2024-25.

The Company has made and maintained the cost records for the Financial Year ended March 31, 2024, 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, the necessary resolution shall be proposed at the ensuing AGM for ratification of the remuneration payable to the Cost Auditors for Financial Year 2024-25.

### 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, 2024 there were 22 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
9. Technocraft Extrusions Private Limited
10. BMS Industries Private Limited

#### **Direct foreign subsidiaries:**

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

#### **Step down subsidiaries:**

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

During the year under review the company has completed acquisition of BMS Industries Private Limited, for consideration of Rs. 70.15 crore and incorporated Technocraft Extrusions Private Limited, accordingly have become the new wholly owned subsidiary Companies.

### Associate/Joint Venture:

During the financial year under review, one joint venture namely, Benten Technologies LLP has filed an application with registrar of companies, for Strike off and the order of struck off is been received by the LLP.



Except the above no other company has become/ceased to be a subsidiary, joint venture, or associate during the financial year 2023-24.

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](http://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](http://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 ended March 31, 2024 the Share capital of the Company was ₹ 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, 2024, 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. Sharad Kumar Saraf, Chairman and Managing Director and Mr. Atanu Anil Choudhary, 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, 2024 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 5 (five) times during 2023-24. The Meetings were held on May 29, 2023, June 29, 2023, August 11, 2023, November 10, 2023, and February 13, 2024. The time gap between any two consecutive meetings is 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, 2024, 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 wrong doing 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, 2024, 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, 2024, 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](http://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, 2024 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, 2024, 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](http://www.technocraftgroup.com) and in the website of the Ministry of Corporate Affairs at [www.mca.gov.in](http://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](http://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](http://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 safeguard 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 13, 2024 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, 2024 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 and Sustainability Report**

The 'Business Responsibility and Sustainability Report' (BRSR) of the Company for the year ended March 31, 2024 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, 2024

**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 such as Highway light and pole light, which consumes less electricity and LED lights have more life as compare to ordinary lights. The new LED lights saves around 50-55% electric power as compared to the old lights.

In Scaffolding/Pipe Division this year we replace approx. 50 to 70 LED lights with ordinary shed lights, tube lights and roadway lights.

Already we have programmable APFC meter with different range of oil cooled and air-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 added more servo motors in replacement of induction motor system. As a result 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. Also improve energy consumption

Added 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 tools for press components for different operations 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 Drum Closure Division this year we have taken following steps to reduce power saving

- A 120 kw solar panel installed in E17 plant due to which we are saving 500 kwh per day per year approx.
- The plating plant had run two for drum closure the cycle time was 3.5 min. Now we have changed its cycle time to 2.5 min the entire product of drum closure is produced in one plant thereby saving per day 526 kwh .
- We have increase the line speed of bung line from 42 piece to 60 piece per min its become from 2 shift to one shift per day power saving 150 kwh per year.
- We have installed two new molding machine power saving per day each machine 48 kwh.

In fabric Division we have taken following incentive for save the Energy consumption:-

1. We have installed Variable Frequency Drive ("VFD") in 4TPH Thermax Steam Boiler ID fan as before installation of VFD per day power consumption was 456 KWH per day, after installed the VFD power consumption has been reduced from 456 KWH to 350 KWH per day. Presently we are saving 106 KWH of electricity per day and per month power saving unit 2756 KWH.
2. We change the blade angle of the supply & amp; return air fan of the humidification plant of the Knitting building and observed the humidity and temperature level of the production floor is maintained as per requirement (65 to 70 % RH, and Temperature 26 to 30 °C). After change the blade angle power consumption reduced 350 KWH per day.
3. We are passing the 3rd stage RO reject through Nano filtration system and filtered water recycle in ETP / RO 1st stage feed instead of direct treat to MEE plant and because of that MEE running hours has been reduced and due to this electricity consumption has been reduced 22000 units per day to 1200KWH/day and apart from steam consumption also has been reduced 5Ton/day.

In Yarn Division we have taken following incentive for save the Energy consumption

1. Regular Energy Audit Practices:- We have a proactive approach towards energy conservation, conducting energy audits once in a two year to identify areas for improvement and implement effective measures. These audits serve as valuable tools in analyzing our energy usage patterns and identifying opportunities for optimization.





2. **Implementation of Energy Efficient Measures:-** The company remains committed to implementing energy-saving measures across all operational areas. This includes the adoption of high-efficiency motors, utilization of less power-resistant cables, implementation of bus bar trunking, and strategic electrical designs aimed at minimizing Electrical system losses. Furthermore, transitioning to 100% LED lighting has resulted in significant reductions in specific power consumption, leading to substantial energy and cost savings.
3. **Investment in Renewable Energy:-** In line with our sustainability goals, we are planning to install a 4 MW rooftop solar plant in the upcoming next 2 year time. This investment underscores our commitment to utilizing renewable energy sources and reducing our carbon footprint. Additionally, we are allocating capital towards green energy utilization and energy efficiency improvement projects, with an estimated investment of approximately 16.30 Cr over the next two years. These initiatives, including the implementation of power-saving drives to the humidification plant, are expected to yield significant energy savings and offer quick payback periods.

### Technology absorption

- (i) **Adoption of New Technologies:-** The company continually embraces new technologies to enhance operational efficiency and product quality. We have integrated user quantum 3 & 4 Sensors into our manufacturing processes to improve yarn quality monitoring and implemented automation in existing setups to optimize power usage and enhance process control. These advancements contribute to improved product consistency and energy efficiency.
- (ii) **Incorporation of Advanced Machinery:-** Our commitment to technological advancement extends to the incorporation of advanced machinery equipped with energy-saving features. We have invested in LOPTX contamination sorter imported machines, high-quality roving frame machines, and high-speed spindle technology in various stages of our production process. These investments not only enhance energy efficiency but also drive cost reduction and quality enhancement throughout the spinning process.
- (iii) **Technological Advancement:- State-of-the-Art Facilities:-** Our facilities are equipped with the latest technology, ensuring high production capacity, superior product quality, and energy efficiency. By leveraging cutting- edge machinery and equipment, we maintain a competitive edge in the market while minimizing our environmental impact.

In conclusion, our commitment to energy conservation and technological innovation remains unwavering. Through regular energy audits, implementation of energy-efficient measures, investment in renewable energy sources, and adoption of advanced technologies, we strive to optimize our operations, reduce costs, and minimize our environmental footprint. These initiatives not only align with our sustainability goals but also position us for continued success in the marketplace.

(iv) **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-** Not Applicable

(v) **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.

|  | (Rs. in Lakhs)   |                  |
|--|------------------|------------------|
| Particulars  | 2023-24          | 2022-23          |
| <b>A: Earning</b>  |                  |                  |
| FOB Value of Export  | 89,345.41        | 98,409.90        |
| Interest Received  | 108.17           | 212.81           |
| Guarantee Fees Received  | 119.91           | 116.62           |
| <b>Total Earning in foreign exchange</b>                                 | <b>89,573.49</b> | <b>98,739.32</b> |
| <b>B: Outgo</b>  |                  |                  |
| CIF Value of Import of Raw Material, Stores & Spare Parts & Traded Goods | 744.49           | 4,670.28         |
| Other Expenditures   | 1,133.36         | 1,010.37         |
| <b>Total expenditure in foreign exchange</b>                             | <b>1,877.85</b>  | <b>5,680.65</b>  |

*(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, 2024

[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, 2023 and ended March 31, 2024, 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, 2024, 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act, 2013 and dealing with client;
  - 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, to the extent applicable, 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 (Delisting of Equity Shares ) Regulation, 2016;
  - ii) The Securities and Exchange Board of India (Issue and Delisting of Debt Securities) Regulation, 2008;
  - iii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations,2018 ;
  - v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
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, 2024  
UDIN : F006711F000482538

**(Pramod Kumar Jain)**  
Proprietor  
FCS No: 6711 CP No: 11043  
PR No. 1821/2022

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, 2024

**(Pramod Kumar Jain)**  
Proprietor  
FCS No: 6711 CP No: 11043  
PR No. 1821/2022  
UDIN: F006711F000482538



## 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) recognizes 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) |

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## 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) |
|------------|---|

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## 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.      | Mr. 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):** ₹19,987.69 Lakhs  
 (b) **Two percent of average net profit of the company as per section 135(5)** ₹ 399.75 Lakhs (Approx)  
 (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:** ₹ 250.00 Lakhs  
 (e) **Total CSR obligation for the financial year (5b+5c-7d):** ₹ 150 Lakhs
6. (a) **Details of CSR amount spent against other than ongoing projects for the financial year:** Rs. 274.00 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 (6a+6b+6c):** ₹ 274.00 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. |
| 2,74,00,000                                      | Not Applicable   | Not Applicable    | Not Applicable   | Not Applicable    |

- (f) **Excess amount for set off, if any:** ₹ 1,24,25,000

| Sl. No. | Particular  | Amount (in ₹) |
|---------|---|---------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 3,99,75,000   |
| (ii)    | Total amount spent for the Financial Year   | *5,24,00,000  |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | 1,24,25,000   |
| (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)]                                     | 1,24,25,000   |

\* **Total amount spent for the Financial Year includes the excess amount spent in Previous Financial Year i.e. (2,50,00,000 + 2,74,00,000), 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   |                |                   |  |
|         | <b>Total</b>              |  |  |  |                |                   |  |





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 ₹280.44 Crores on an Arm's Length basis. |
| 5.     | Date of approval by the Board   | May 29, 2023   |
| 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 2023-24 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 2023-24.

| Name & Designation                                      | Remuneration of each Director & KMP for Financial Year 2023-24<br>₹ In Lakhs | % Increase/ Decreased in remuneration in the Financial year 2023-24 | Ratio of remuneration of each Director to median remuneration of employees |
|---|--|---|--|
| <b>A. Directors &amp; KMP</b>                           |  |   |  |
| Mr. Sharad Kumar Saraf, CMD                             | 146.40   | 0.00  | 32.55  |
| Mr. Sudarshan Kumar Saraf, Co-CMD                       | 146.40   | 0.00  | 32.55  |
| Mr. Ashish Kumar Saraf, WTD, CFO                        | 146.40   | 0.00  | 32.55  |
| Mr. Navneet Kumar Saraf, WTD, CEO                       | 146.40   | 0.00  | 32.55  |
| Mr. Atanu Choudhary, WTD                                | 14.65  | 15.54   | 3.26   |
| Mr. Jagdeesh Mal Mehta, I-NED                           | 1.30   | 44.44   | 0.29   |
| Mr. Vishwambhar C. Saraf, I-NED                         | 0.30   | -50.00  | 0.07   |
| Mr. Aubrey Rebello, I-NED                               | 1.00   | 11.11   | 0.22   |
| Ms. Vaishali Choudhari, I-NED                           | 1.20   | 100.00  | 0.27   |
| Mr. Vinod Agarwala, I-NED                               | 0.90   | 0.00  | 0.20   |
| <b>B. Key Managerial Personnel other than Directors</b> |  |   |  |
| Mr. Neeraj Rai, CS                                      | 18.20  | 4.60  | 4.05   |

### Legends:

CMD - Chairman & Managing Director; I- NED- Independent Non-Executive Director; WTD- Whole Time Director; CFO – Chief Financial Officer; CS - Company Secretary; CEO - Chief Executive 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 15.99%.

**(iv) The number of permanent employees on the rolls of Company;** There were 1645 permanent employees on the rolls of Company as on March 31, 2024.

**(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 2023-24 was 9.11% and the increase in the salary of the managerial personnel was 0.45%. The average increase of 9.11% in the salaries of employees was in line with the market projection, the performance of the Company in the financial year 2023-24, 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, 2024, 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 Companies Act 2013, SEBI Listing Regulations and other applicable laws.

Your Company presents this report, prepared in terms of the SEBI Listing Regulations (including the amendments to the extent applicable), enumerating the current Corporate Governance systems and processes at the Company.

### 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, 2024, 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 five (5) times during the financial years 2023-24. The Meetings were held on May 29, 2023, June 29, 2023, August 11, 2023, November 10, 2023, and February 13, 2024. 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, 2024 is tabulated hereunder.

| Name                      | Category                                  | No. of Board Meeting attended/ held during 2023-24 | Whether attended Last AGM held on Sept 27, 2023 | 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    | 4/5  | Yes   | 8  | 0   | 3      |
| Mr. Sudarshan Kumar Saraf | Promoter, Co-Chairman & Managing Director | 5/5  | No  | 10   | -   | 1      |
| Mr. Ashish Kumar Saraf    | Whole-time Director & CFO                 | 4/5  | Yes   | 7  | -   | 1      |
| Mr. Navneet Kumar Saraf   | Whole-time Director & CEO                 | 4/5  | Yes   | 9  | -   | 1      |
| Mr. Atanu Choudhary       | Whole-time Director                       | 5/5  | Yes   | 1  | -   | -      |
| Mr. Vinod Agarwala        | Independent Director                      | 3/5  | Yes   | 5  | 2   | 4      |
| Mr. V. C. Saraf           | Independent Director                      | 1/5  | Yes   | 4  | 3   | 4      |
| Mr. Jagdeesh Mal Mehta    | Independent Director                      | 5/5  | Yes   | 2  | -   | 2      |
| Ms. Vaishali Choudhari    | Independent Director                      | 4/5  | Yes   | 1  | -   | 1      |
| Mr. Aubrey Rebello        | Independent Director                      | 4/5  | 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 | (2) 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                     |
| Mr. V. C. Saraf         | (1) Remi Edelstahl Tubulars Ltd           | Executive Director                       |
| Mr. Jagdeesh Mal Mehta  | (1) Banswara Syntex Ltd.                  | Executive Director                       |

**(d) Information to the Board**

A detailed agenda folder is sent to each director well 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/ 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 and its committees.

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, 2024 are tabulated hereunder.

(₹ in Lakhs)

| Name of the Directors     | Salaries, perquisites & Allowances | Sitting fees | Total  |
|---------------------------|------------------------------------|--------------|--------|
| Mr. Sharad Kumar Saraf    | 146.40                             | 0.00         | 146.40 |
| Mr. Sudarshan Kumar Saraf | 146.40                             | 0.00         | 146.40 |





| Name of the Directors   | Salaries, perquisites & Allowances | Sitting fees | Total  |
|-------------------------|------------------------------------|--------------|--------|
| Mr. Ashish Kumar Saraf  | 146.40                             | 0.00         | 146.40 |
| Mr. Navneet Kumar Saraf | 146.40                             | 0.00         | 146.40 |
| Mr. Atanu Choudhary     | 14.65                              | 0.00         | 14.65  |
| Mr. Aubrey Rebello      | 0.00                               | 1.00         | 1.00   |
| Mr. Jagdeesh Mal Mehta  | 0.00                               | 1.30         | 1.30   |
| Ms. Vaishali Choudhari  | 0.00                               | 1.20         | 1.20   |
| Mr. V. C. Saraf         | 0.00                               | 0.30         | 0.30   |
| Mr. Vinod Agarwala      | 0.00                               | 0.90         | 0.90   |

The details of remuneration paid to KMP during the year ended March 31, 2024, 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, 2024, 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](http://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, 2024. 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 [www.technocraftgroup.com/pdf/Details%20of%20the%20familiarization%20programmes.pdf](http://www.technocraftgroup.com/pdf/Details%20of%20the%20familiarization%20programmes.pdf)



## (I) **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 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 13, 2024, 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 five Committees as on March 31, 2024 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibilities (CSR) Committee and Risk Management 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, 2024, the Audit Committee comprises five Independent Directors. Viz. Mr. 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 five times during the year, i.e. on May 29, 2023, June 29, 2023, August 11, 2023, November 10, 2023 and February 13, 2024. 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 | 5                   | 3                      |
| Mr. Jagdeesh Mal Mehta | Independent Director | Member   | 5                   | 5                      |
| Ms. Vaishali Choudhari | Independent Director | Member   | 5                   | 4                      |
| Mr. V. C. Saraf        | Independent Director | Member   | 5                   | 1                      |
| Mr. Aubrey Rebello     | Independent Director | Member   | 5                   | 4                      |

(Mr. Vinod Agarwala, Independent Director, Chairman of the Committee, attended Annual General Meeting of the company, held on September 27, 2023, to answer members' queries.)

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 issue or rights issue or preferential issue or qualified institution placements, 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.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamations etc, on the listed entity and its shareholders.

**Review of Information by Audit Committee:**

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

23. Management discussion and analysis of financial condition and results of operations;
24. Management letters/letters of internal control weaknesses issued by the statutory auditors;
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, 2024, 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 twice during the previous financial year 2023-24 on May 29, 2023 and February 13, 2024. 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 Meetings held | No of Meeting attended |
|------------------------|----------------------|----------|----------------------|------------------------|
| Mr. V. C. Saraf        | Independent Director | Chairman | 2                    | -                      |
| Ms. Vaishali Choudhari | Independent Director | Member   | 2                    | 2                      |
| Mr. Aubrey Rebello     | Independent Director | Member   | 2                    | 1                      |
| Mr. Jagdeeshmal Mehta  | Independent Director | Member   | 2                    | 2                      |
| Mr. Vinod Agarwala     | Independent Director | Member   | 2                    | 2                      |

(Mr. Vishwambhar C. Saraf, Independent Director, Chairman of the Committee, attended the Annual General Meeting of the company, held on September 27, 2023, to answer members' queries.)

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. To assist the Board in determining the appropriate size, diversity and composition of the Board;
- ii. To recommend to the Board appointment/re-appointment and removal of Directors and Senior Management;
- iii. To frame criteria for determining qualifications, positive attributes and independence of Directors;





- iv. To recommend to the Board remuneration payable to the Directors and Senior Management (within the appropriate limits as defined in the Act);
- v. To create an evaluation framework for Independent directors and the Board;
- vi. To assist in developing a succession plan for the Board and 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, 2024, 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 2023-24, 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 11, 2023, 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 Meetings held | No of Meeting attended |
|---------------------------|----------------------|----------|----------------------|------------------------|
| Mr. V. C. Saraf           | Independent Director | Chairman | 1                    | 1                      |
| 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, 2024 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 2023-24, the committee met on May 29, 2023 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](http://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 Meetings held | No of Meeting attended |
|---------------------------|----------------------|----------|----------------------|------------------------|
| Dr. Sharad Kumar Saraf    | Executive Director   | Chairman | 1                    | -                      |
| Mr. Sudarshan Kumar Saraf | Executive Director   | Member   | 1                    | 1                      |
| Ms. Vaishali Choudhari    | Independent Director | Member   | 1                    | 1                      |

**e. Risk Management Committee:**

As on March 31, 2024, 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 2023-24, the committee met two (2) times on May 12, 2023, and November 10, 2023, 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 Meetings held | No of Meeting attended |
|---------------------------|----------------------|----------|----------------------|------------------------|
| Dr. Sharad Kumar Saraf    | Executive Director   | Chairman | 2                    | 2                      |
| Mr. Sudarshan Kumar Saraf | Executive Director   | Member   | 2                    | 2                      |
| Mr. V.C. Saraf            | Independent Director | Member   | 2                    | -                      |



## II. PARTICULARS OF SENIOR MANAGEMENT AND CHANGES THEREIN

As per Regulation 34(3) read with clause 5B of Schedule V of SEBI (LODR) Regulations, 2015, There were no changes in the senior management since the closure of the Previous Financial year. The details of the Senior Management as on 31st March 2024 are mentioned below:

| Name of the Senior Management Personnel | Designation                  |
|---|------------------------------|
| Navneet Kumar Saraf*                    | Chief Executive Officer      |
| Ashish Kumar Saraf*                     | Chief Financial Officer      |
| Neeraj Rai                              | Company Secretary            |
| Anil Gadodia                            | President Accounts & Finance |
| Subhash Khandelwal                      | President Corporate          |

\*Navneet Kumar Saraf & Ashish Kumar Saraf are also Board Members and designated as Whole Time Directors of the Company.

## III. 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, 2024, the Company had 22 subsidiaries. The Income of AAIT/ Technocraft Scaffold Distribution LLC FZE exceeds ten percent of the Consolidated income of the Company for the immediately preceding accounting year 2022-23, 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, 2024 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:**

- 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.
- 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:**

- 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.
- Shareholders' Rights:** The Company did not send half-yearly results to each household of the shareholders in financial year 2023-24. However, in addition to displaying its quarterly and half-yearly results on its website [www.technocraftgroup.com](http://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.

#### IV. MEANS OF COMMUNICATION:

In accordance with Regulation 46 of the SEBI Listing Regulations, the company has maintained a functional website at [www.technocraftgroup.com](http://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.

#### V. GENERAL BODY MEETING:

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

| AGM No.  | Year    | Date               | Time      | Location   |
|----------|---------|--------------------|-----------|--|
| 31st AGM | 2022-23 | September 27, 2023 | 11:30 A.M | Online Through Video Conference at the registered office of the Company at Technocraft House, A-25, Road No.3, MIDC Industrial Estate, Andheri (East), Mumbai 400093 (Deemed Venue of The Meeting).                                  |
| 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). |
| 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). |

#### ii. Special Resolutions passed during the previous three AGMs:

- In the 29th AGM held on September 28, 2021, following special resolution was passed:
  - (i) Approval under Section 185 of the Companies Act, 2013 in respect of any loan to Techno Defence Private Limited.
- In the 30th AGM held on September 26, 2022, following special resolution was passed:
  - (i) Re-appointment of Dr. Sharad Kumar Saraf as a Managing Director of the Company for a period of five years
- In the 31st AGM held on September 27, 2023, no special resolution was passed.



- iii. **Special Resolution passed during the Financial Year 2023-24 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       | %    |                                |
| Re-appointment of Mr. Aubrey Rebello (DIN: 08091710) as an Independent Director of the Company for a period of five years    | 19556295             | 99.99 | 8                  | 0.01 | July 03,2023                   |
| Re-appointment of Mr. Sudarshan Kumar Saraf (DIN: 00035799) as a Managing Director of the Company for a period of five years | 19537132             | 99.89 | 20990              | 0.11 | July 03,2023                   |

- 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 30th September, 2024 ('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 May 29, 2023, 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, June 03, 2023, at 9:00 a.m. (IST) and ended on Sunday, July 02, 2023, at 5:00 p.m. (IST). The Cut-off date, for the purpose of determining the number of members was Friday, May 26, 2023.

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 July 03, 2023. The results were also displayed on the website of the Company at [www.technocraftgroup.com](http://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 30, 2024

Day: Monday

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.

iv. **Dates of Book Closure:**

Since there was no dividend, No Book Closure was held.

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 2023-24 to BSE and NSE.

vii. **Stock Code:**

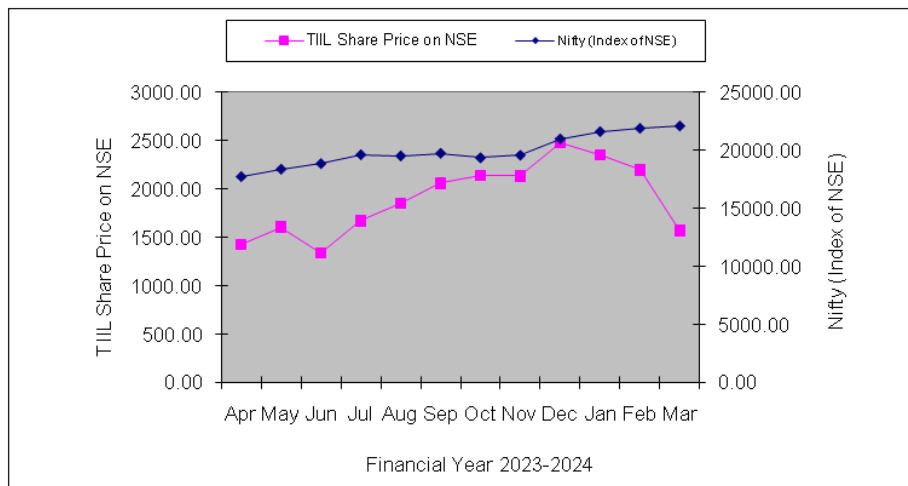
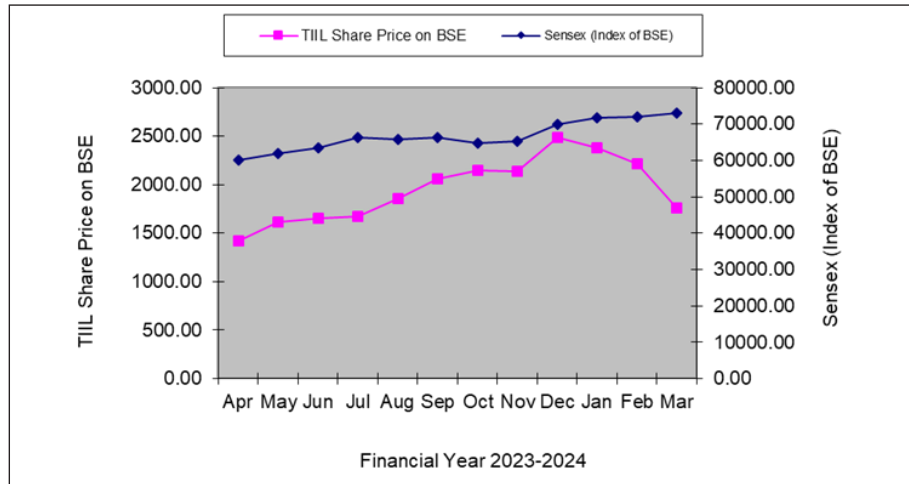
|                                     |              |
|-------------------------------------|--------------|
| ISIN (Equity Shares) in NSDL & CDSL | INE545H01011 |
| BSE Code                            | 532804       |
| NSE Code                            | TIIL         |

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 2023-24 at BSE and NSE:**

| Date   | NSE        |           |                       | BSE        |           |                       |
|--------|------------|-----------|-----------------------|------------|-----------|-----------------------|
|        | High Price | Low Price | Total Traded Quantity | High Price | Low Price | Total Traded Quantity |
| Apr-23 | 1635.00    | 1219.80   | 407279                | 1624.00    | 1219.75   | 129508                |
| May-23 | 1819.70    | 1400.00   | 555299                | 1824.10    | 1400.60   | 155638                |
| Jun-23 | 1825.00    | 1480.25   | 903784                | 1827.75    | 1483.00   | 107498                |
| Jul-23 | 1797.00    | 1550.10   | 511430                | 1794.00    | 1551.00   | 64099                 |
| Aug-23 | 2169.00    | 1541.55   | 539398                | 2163.20    | 1542.55   | 93903                 |
| Sep-23 | 2186.65    | 1934.10   | 454141                | 2181.80    | 1937.00   | 53324                 |
| Oct-23 | 2318.75    | 1960.00   | 295310                | 2344.00    | 1950.05   | 50932                 |
| Nov-23 | 2359.70    | 1910.00   | 494905                | 2357.50    | 1913.15   | 64267                 |
| Dec-23 | 2725.00    | 2228.10   | 348452                | 2749.80    | 2225.10   | 27686                 |
| Jan-24 | 2600.00    | 2110.25   | 246770                | 2647.95    | 2111.55   | 29091                 |
| Feb-24 | 2489.00    | 1909.90   | 378311                | 2525.00    | 1911.00   | 38058                 |
| Mar-24 | 2016.85    | 1532.50   | 551825                | 2013.05    | 1502.10   | 60673                 |



**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](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://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, 2024

| Distribution range of Shares | No. of Shares   | Percentage of Shares | No. of Shareholders | Percentage of Shareholders |
|------------------------------|-----------------|----------------------|---------------------|----------------------------|
| 001-500                      | 847532          | 3.6911               | 13199               | 93.7296                    |
| 501-1000                     | 273962          | 1.1931               | 354                 | 2.5138                     |
| 1001-2000                    | 295419          | 1.2866               | 202                 | 1.4345                     |
| 2001-3000                    | 201414          | 0.8772               | 79                  | 0.561                      |
| 3001-4000                    | 145392          | 0.6332               | 42                  | 0.2983                     |
| 4001-5000                    | 181574          | 0.7908               | 40                  | 0.2841                     |
| 5001-10000                   | 599668          | 2.6116               | 85                  | 0.6036                     |
| Greater than 10000           | 20416726        | 88.9165              | 81                  | 0.5752                     |
| <b>Total</b>                 | <b>22961687</b> | <b>100.00</b>        | <b>14082</b>        | <b>100.00</b>              |

### (b) Shareholding Pattern as on March 31, 2024:

| S. N.      | Category   | No. of shareholders | No. of shares   | %             |
|------------|--|---------------------|-----------------|---------------|
| <b>A</b>   | <b>Promoters/ Promoter Group</b>   | <b>12</b>           | <b>17132736</b> | <b>74.61</b>  |
| <b>B</b>   | <b>Public</b>  |                     |                 |               |
| <b>(1)</b> | <b>Institutions</b>  |                     |                 |               |
| (a)        | Mutual Funds/  | 0                   | 0               | 0.00          |
| (b)        | Venture Capital Funds  | 0                   | 0               | 0.00          |
| (c)        | Alternate Investment Funds   | 2                   | 912474          | 3.97          |
| (d)        | Foreign Venture Capital Investors  | 0                   | 0               | 0.00          |
| (e)        | Foreign Portfolio Investors  | 21                  | 145356          | 0.63          |
| (f)        | Financial Institutions / Banks   | 0                   | 0               | 0.00          |
|            | <b>Sub-Total (B)(1)</b>  | <b>23</b>           | <b>1057830</b>  | <b>4.60</b>   |
| <b>(2)</b> | <b>Non-institutions</b>  |                     |                 |               |
| (a)        | Individuals -  |                     |                 |               |
|            | i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.        | 12726               | 2195641         | 9.56          |
|            | ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs | 19                  | 918588          | 4.00          |
| (b)        | NBFC's registered with RBI   | 0                   | 0               | 0.00          |
| (c)        | IEPF   | 1                   | 16646           | 0.07          |
| (d)        | Trusts   | 1                   | 135             | 0.00          |
| (e)        | Hindu Undivided Family   | 456                 | 188141          | 0.81          |
| (f)        | Foreign Companies  | 1                   | 385575          | 1.67          |
| (g)        | Non Resident Indians   | 350                 | 143369          | 0.62          |
| (h)        | LLP  | 19                  | 94640           | 0.41          |
| (i)        | Clearing Member  | 3                   | 195             | 0.00          |
| (j)        | Bodies Corporate   | 172                 | 828191          | 3.60          |
|            | <b>Sub-Total (B)(2)</b>  | <b>13748</b>        | <b>4771121</b>  | <b>20.77</b>  |
|            | <b>Total Public Shareholding(B)= (B)(1)+(B)(2)</b>                               | <b>13771</b>        | <b>5828951</b>  | <b>25.38</b>  |
|            | <b>Grant Total (A)+(B)</b>   | <b>13783*</b>       | <b>22961687</b> | <b>100.00</b> |

\*Shares of shareholders having multiple PAN has been consolidated.



### xiii. Dematerialization of Shares and Liquidity

As on March 31, 2024, 2,29,61,687 equity shares representing 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, 2024, is given below:

| Category     | No of Shares       | Percentage    |
|--------------|--------------------|---------------|
| NSDL         | 2,18,07,494        | 94.97         |
| CDSL         | 11,54,193          | 5.03          |
| Physical     | 0                  | 0.00          |
| <b>Total</b> | <b>2,29,61,687</b> | <b>100.00</b> |

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: Plants of Technocraft Industries (India) Ltd on standalone basis:

|                    |   |
|--------------------|---|
| Drum Closure       | Plot. No. C - 5, E-17 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- 4098 2200

### 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 AA-/Stable'

(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/2018/0000000141 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)     | 23,577.77   | 39342.05   | NIL   |          | NIL                  |          | NIL   |
| Cotton (Raw material)    | 20577.00  | 12386.00   | NIL   |          | NIL                  |          | NIL   |
| Aluminium (Raw material) | 19858.14  | 8185.87  | 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 26(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, 2024, are as follows:

| <b>Name and Designation</b>                                  | <b>skills/expertise/competence</b>   |
|--|--|
| 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 2023-24 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, 2023.





## 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](http://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.

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#### **CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT FOR FINANCIAL YEAR ENDED MARCH 31, 2024.**

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, 2024.

**Place:** Mumbai

**Date:** May 29, 2024

**Navneet Kumar Saraf**  
**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, 2024 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

**Date:** May 29, 2024

**Ashish Kumar Saraf**  
**Chief Financial Officer**

**Navneet Kumar Saraf**  
**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, 2024, 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, 2024.

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, 2024

**(Pramod Kumar Jain)**  
Proprietor  
FCS No. 6711 CP No. 11043  
UDIN: F006711F000482043



## 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](http://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, 2024 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.      | Sudarshankumar Saraf          | 00035799 | 28/10/1992                     |
| 3.      | Ashishkumar 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, 2024

**(Pramod Kumar Jain)**  
Proprietor  
FCS No. 6711 CP No. 11043  
UDIN : F006711F000482021



## MANAGEMENT DISCUSSION & ANALYSIS REPORT 2023-24

Industry structure and developments:

### ECONOMIC REVIEW

#### Global Economic Outlook

As per The International Monetary Fund (IMF), the baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025.

#### Indian Economic Outlook

The IMF, raised India's Gross Domestic Product (GDP) growth projection to 6.8 percent for the financial year (FY) 2024-25.

In its report the IMF said, Growth in India is projected to remain strong at 6.8 percent in FY 2024-25, and 6.5 percent in FY 2025-26 with the robustness reflecting continuing strength in domestic demand and a rising working-age population. It also said that the Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in FY 2024-25 and FY 2025-26.

With this, India continues to be the fastest growing economy of the world, ahead of China's growth projection of 4.6 percent during the same period.

#### Segmental Outlook

##### Drum Closure

The Drum closure market is linked with the Industrial Drums market.

The industrial drum market is estimated to stand at US\$ 12.9 billion by 2024. The market valuation is projected to witness a valuation of US\$ 20.4 billion by 2034, registering a moderate CAGR of 5.1%. The global industrial drum market exhibited a steady expansion with a CAGR of 3.2% from 2019 to 2023. During this period, historical analysis revealed a gradual but consistent growth trajectory.

The industrial drum market is witnessing robust growth driven by increasing demand across diverse sectors. These durable containers find extensive applications in transporting and storing liquids, chemicals, and hazardous materials. The expansion of the market is propelled by the rising global manufacturing activities, with industries such as chemicals, pharmaceuticals, and food and beverages being prominent end-users.

Stringent regulations governing the safe transportation of goods contribute to the market's growth as businesses prioritize compliant packaging solutions. Innovations in drum design, materials, and manufacturing processes enhance product efficiency and safety.

As the industrial landscape evolves, the drum market is anticipated to flourish, driven by the need for reliable and secure packaging solutions in various industrial sectors.

##### Scaffolding and formwork

The scaffolding market size is forecast to increase by USD 21.9 billion at a CAGR of 6.75% between 2023 and 2028. The market's growth is influenced by various factors, notably the surge in construction activities observed in developing nations. Additionally, stringent safety regulations play a pivotal role in shaping market dynamics, prompting construction firms to invest in compliant solutions. Furthermore, advancements in construction technology drive innovation and efficiency within the industry, further fueling market expansion. These factors collectively contribute to the evolving landscape of the construction sector, fostering sustained growth and development in the market.

Formwork Market was valued at USD 6.05 billion in 2023 and is expected to reach USD 9.19 billion by the end of 2030 with a CAGR of 5.26% During the Forecast Period 2024-2030.





## Textiles

The textile market size has grown strongly in recent years. It is projected to grow from \$638.03 billion in 2023 to \$689.54 billion in 2024 at a compound annual growth rate (CAGR) of 8.1%. The growth witnessed in the historical period can be ascribed to factors such as the expansion of the global population, heightened demand for man-made fibers, government initiatives supporting the textile industry, robust economic growth in emerging markets, and the implementation of restrictions on plastic usage.

The growth of the textile market is further expected to be propelled by the increasing internet penetration and smartphone usage. This trend allows manufacturers to expand their product reach to a broader audience, leading to geographical diversification of their customer base and contributing to the overall growth of the textile manufacturing market. Notably, in countries such as India, the emergence of e-commerce portals has played a pivotal role in amplifying the sales of traditional garments, offering greater exposure to producers previously limited to specific geographical areas.

## 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 Company has diversified operations and manufacturing.

The Company uses the most modern equipment and technologies to manufacture its product assuring world-class quality to its customer.

### Drum Closure

Each steel drum requires one set of closures, 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 continuous improvement, 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.

The Company is the second largest manufacturer and seller of steel Drum Closures and continues to enjoy a worldwide market share of about 37% (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 increased from ₹ 535 Crores to ₹ 543 Crores as compared to previous year. Profit Before Tax and Finance Cost but after Depreciation increased from ₹ 163 Crores to ₹ 186 Crores as compared to previous year.

Out of the total revenue of the drum division, approximately 89.04% of revenue was generated from Export Sales.

### Scaffolding & Formwork

#### Scaffolding Business

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, added with various components.

The Company is a leading Indian manufacturer and distributor of scaffolding and formwork systems. The Company uses high quality steel tubes with excellent dimensional accuracy and surface quality. 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 combined facilities of scaffolding, formwork and MacOne with installed capacity of about 50,000 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 is also getting good response from infra projects in India.

The Company's Scaffolding segment comprises of Scaffolding and Formwork business. The Company is also giving its scaffolding on rental basis, a business model that is demanded by certain section of business. 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 are 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 the Company has made this cost more efficient by making the entire system lighter without compromising on the required strength.

Consolidated Revenue from Operations increased by 16% from ₹ 890 Crores to ₹ 1032 Crores. However, Profit Before Tax and Finance Cost but after Depreciation decreased from ₹ 227 Crores to ₹ 184 Crores.

### **Textile (Yarn and Fabric)**

The Company produces a variety of products ranging from NE 20 to NE 40, Carded and Combed varieties of Cotton Yarn. The Spinning mills are equipped with world-class Swiss, Japanese, German, Spanish equipment. The Company is having a yarn division for consolidated capacity of around 62,000 spindles. During the year under review, a new unit for manufacturing of greige yarn at Amravati Maharashtra, having around 31,000 spindles commenced by Technocraft Textiles Ltd, a wholly owned subsidiary.

The Company manufactures premium quality active wear products and provides superior service. Products are custom knit, dyed, finished, cut, sewn, decorated, packaged, and distributed. Currently, the Company exports approx. 58.41% of fabric products mainly in Europe, Asia, Latin American countries etc.



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.

This 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, the Company now stopped the production of Melange yarn and only fabric business is done in Murbad unit. Overall, this division has now been re-engineered and loss-making products and locations are being plugged.

Revenue from Operations of Textile (Fabric and Yarn) Division stood at ₹ 492 Crores as compared to ₹ 524 Crores of previous year. Loss Before Tax and Finance Cost but after Depreciation of Textile (Fabric and Yarn) Division reduced from ₹30 Crores to ₹17 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 700 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 for Financial Year 2024 increased by 46% to ₹ 198 Crores from ₹ 136 Crores. Profit Before Tax and Finance Cost but after Depreciation increased by 39% to ₹ 38 Crores as compared to ₹ 27 Crores of previous year.

Out of the total revenue of this division, approximately 96.90% of revenue was generated from Export.

### **OPPORTUNITIES & 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 and 'Mäch One' is one such example. The Company has also started two new projects through its wholly owned subsidiary namely Technocraft Formworks Private Limited and Technocraft Extrusions Private Limited. These two plants will manufacture aluminium Extrusion products and then value addition by converting them in to aluminium formworks. These are sort of backward integration for the Company.

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, Textiles and Engineering & designing Services. On the manufacturing front, The Company sees Drum Closure and Scaffolding divisions growing at higher rate in coming years and these are certainly its core focus areas.

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 ₹ 11,708.44 Lakhs and ₹ 4,305.28 Lakhs respectively as on March 31, 2024. TIL'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.

**Material Sourcing and efficiency:** 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.

Considering the industry volatility, the Company 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 so 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 commensurate 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 comprising of professional firm of Chartered Accountants have been entrusted with the job to conduct regular internal audit and report to management the observation if any. 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. The Audit findings are reported on quarterly basis to the Audit Committee of the Company.

Besides above, the Company has also meets 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 2023-24 is as follows:

(₹ In Lakhs)

| Particulars   | Year Ended         |                    |
|---|--------------------|--------------------|
|   | 31.03.2024         | 31.03.2023         |
| <b>1 Income from operations</b>   |                    |                    |
| <b>Continuing Operations</b>  |                    |                    |
| a. Drum Closures Division   | 54,302.59          | 53,477.86          |
| b. Scaffoldings Division  | 1,03,239.87        | 88,944.21          |
| c. Yarn Division  | 31,275.32          | 34,268.49          |
| d. Fabric Division  | 17,905.84          | 18,145.59          |
| e. Engineering & Design   | 19,839.95          | 13,621.95          |
| f. Others   | -                  | 22.36              |
| <b>Total</b>  | <b>2,26,563.57</b> | <b>2,08,480.46</b> |
| <b>Less : Inter Segment Revenue</b>   | <b>8,400.73</b>    | <b>10,027.27</b>   |
| <b>Total Income from operations</b>   | <b>2,18,162.84</b> | <b>1,98,453.19</b> |
| <b>2 Segment Results</b>  |                    |                    |
| <b>Profit/(Loss) after Depreciation but Before Finance Cost &amp; Tax &amp; Exceptional Items</b> |                    |                    |
| a. Drum Closures Division   | 18,578.22          | 16,251.79          |
| b. Scaffoldings Division  | 18,383.71          | 22,724.68          |
| c. Yarn Division  | (630.07)           | (1,769.08)         |
| d. Fabric Division  | (1,054.03)         | (1,244.11)         |
| e. Engineering & Design   | 3,781.64           | 2,721.46           |
| f. Others   | (21.26)            | (40.36)            |
| <b>Total</b>  | <b>39,038.21</b>   | <b>38,644.38</b>   |
| <b>Less :</b>   |                    |                    |
| i. Finance Cost   | 3,966.83           | 2,793.22           |
| ii. Other un-allocable expenditure net off un-allocable income                                    | (3,019.29)         | (326.37)           |
| iii Share of Loss in Associate  | 0.40               | 0.02               |
| <b>Total Profit Before Tax &amp; Exceptional Items from Continuing Operations</b>                 | <b>38,090.27</b>   | <b>36,177.51</b>   |
| Exceptional Items   | 875.58             | -                  |
| <b>Total Profit Before Tax but after Exceptional Items</b>  | <b>37,214.69</b>   | <b>36,177.51</b>   |
| <b>Gain/ (Loss) from Discontinued Operations (Net of Finance Cost) Power Division</b>             | <b>(68.64)</b>     | <b>500.00</b>      |
| <b>Total Profit / (Loss) before Tax ( Continuing &amp; Discontinued Operations)</b>               | <b>37,146.05</b>   | <b>36,677.51</b>   |

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company believes that good Human Resource Policies are very effective for supporting and building the desired organisation culture and to maintain the same the 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 employees 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 2023-24 are as follows:

| Particulars  | (₹ In Lakhs) |             |            |
|--|--------------|-------------|------------|
|  | FY 2023-24   | FY 2022-23  | Variance   |
| Revenue from operations  | 1,64,281.52  | 1,82,509.02 | -18,227.50 |
| Profit before Tax- Continued Operation                                       | 22,454.73    | 24,775.56   | -2,320.83  |
| Net Profit / (Loss) for the period from Continuing & Discontinued Operations | 16,868.46    | 19,017.75   | -2,149.29  |

## Key Financial Ratios

| Ratios                    | FY 2023-24 | FY 2022-23 | Change% |
|---------------------------|------------|------------|---------|
| Debtors Turnover          | 2.97       | 3.32       | -10.60  |
| Inventory Turnover        | 3.67       | 4.19       | -12.30  |
| Interest Coverage Ratio   | 10.25      | 14.38      | -28.75* |
| Current Ratio             | 1.76       | 1.74       | 1.09    |
| Debt Equity Ratio         | 0.29       | 0.44       | -34.34* |
| Operating Profit Margin % | 17.95      | 17.26      | 4.01    |
| Net Profit Margin %       | 10.27      | 10.42      | -1.46   |
| Return on Net Worth %     | 12.52      | 16.13      | -22.38  |

### Notes:

- \*a) Decrease in Interest Coverage Ratio due to decrease in EBIDTA on Standalone basis as compared to previous year.
- b) Decrease in Debt Equity Ratio is due to Reduction in Borrowings in the current year as compared to the Previous year.

## 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.

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## Annexure - VIII TO THE BOARD'S REPORT

### Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Reporting (BRSR) is a mandatory reporting requirement by the Securities & Exchange Board of India (SEBI) for top 1000 listed companies by market capitalization in India. The BRSR principles advocate for listed companies to embrace sustainable business methods and divulge information on their environmental, social and governance (ESG) performance.

The Company aims to progress in its ESG journey to further its objectives of becoming a sustainable and responsible corporate and hereby presents the BRSR of the Company for the financial year 2023-24, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The numbers mentioned in the Report have been rationalized wherever required.

In this report, the words – 'Technocraft', 'We', 'Our', 'Company' are used interchangeably to denote Technocraft Industries (India) Ltd.

#### Business Responsibility and Sustainability Report

#### SECTION A: GENERAL DISCLOSURES

##### I. Details of the Listed Entity

| 1.                                    | <b>Corporate Identity Number (CIN) of the Listed Entity</b>   | L28120MH1992PLC069252   |                      |            |          |        |                                       |      |  |
|---------------------------------------|---|---|----------------------|------------|----------|--------|---------------------------------------|------|--|
| 2.                                    | <b>Name of the Listed Entity</b>  | Technocraft Industries (India) Limited  |                      |            |          |        |                                       |      |  |
| 3.                                    | <b>Year of incorporation</b>  | 1992  |                      |            |          |        |                                       |      |  |
| 4.                                    | <b>Registered office address</b>  | Technocraft House, A-25, MIDC Road No. 3, Andheri East, Mumbai -400093  |                      |            |          |        |                                       |      |  |
| 5.                                    | <b>Corporate address</b>  | Technocraft House, A-25, MIDC Road No. 3, Andheri East, Mumbai -400093  |                      |            |          |        |                                       |      |  |
| 6.                                    | <b>E-mail</b>   | investor@technocraftgroup.com   |                      |            |          |        |                                       |      |  |
| 7.                                    | <b>Telephone</b>  | + 91 22 4098 2222   |                      |            |          |        |                                       |      |  |
| 8.                                    | <b>Website</b>  | http://technocraftgroup.com/  |                      |            |          |        |                                       |      |  |
| 9.                                    | <b>Financial year for which reporting is being done</b>   | 2023-24   |                      |            |          |        |                                       |      |  |
| 10.                                   | <b>Name of the Stock Exchange(s) where shares are listed</b>  | <table border="1"> <thead> <tr> <th>Name of the Exchange</th> <th>Stock Code</th> </tr> </thead> <tbody> <tr> <td>BSE Ltd.</td> <td>532804</td> </tr> <tr> <td>National Stock Exchange of India Ltd.</td> <td>TIIL</td> </tr> </tbody> </table> | Name of the Exchange | Stock Code | BSE Ltd. | 532804 | National Stock Exchange of India Ltd. | TIIL |  |
| Name of the Exchange                  | Stock Code  |   |                      |            |          |        |                                       |      |  |
| BSE Ltd.                              | 532804  |   |                      |            |          |        |                                       |      |  |
| National Stock Exchange of India Ltd. | TIIL  |   |                      |            |          |        |                                       |      |  |
| 11.                                   | <b>Paid-up Capital</b>  | INR.22,96,16,870  |                      |            |          |        |                                       |      |  |
| 12.                                   | <b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>   | Mr. Neeraj Rai, Company Secretary<br>Email- investor@technocraftgroup.com<br>Tel: + 91 22 4098 2222   |                      |            |          |        |                                       |      |  |
| 13.                                   | <b>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).</b> | The disclosures are made on a standalone basis  |                      |            |          |        |                                       |      |  |
| 14.                                   | <b>Name of assurance provider</b>   | Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023   |                      |            |          |        |                                       |      |  |
| 15.                                   | <b>Type of assurance obtained</b>   | Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dt. 12 July, 2023   |                      |            |          |        |                                       |      |  |



## II. Products/services

### 16. 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 | 100.00                      |

### 17. 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         | 27.54                     |
| 2.     | Manufacturing of tubes and Scaffoldings   | 24106               | 45.31                     |
| 3.     | Manufacture of knitted and crocheted cotton fabrics, Preparation and spinning of cotton fiber, Manufacture of textile garments. | 13111, 13911, 14101 | 27.15                     |

## III. Operations

### 18. 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    |

### 19. Markets served by the entity:

#### a. Number of locations

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

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

Total contribution of exports is 58.41 of the total turnover of the Company.

#### c. A brief on types of customers:

The clientele of the company belongs to a business-to-business sector.

## IV. Employees

### 20. Details as at the end of Financial Year:

#### a. Employees and workers (including differently abled):

| No.              | Particulars                    | Total (A) | Male    |           | Female  |           |
|------------------|--------------------------------|-----------|---------|-----------|---------|-----------|
|                  |                                |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES</b> |                                |           |         |           |         |           |
| 1.               | Permanent (D)                  | 1275      | 1160    | 90.98     | 115     | 9.02      |
| 2.               | Other than Permanent (E)       | 0         | 0       | 0.00      | 0       | 0         |
| 3.               | <b>Total employees (D + E)</b> | 1275      | 1160    | 90.98     | 115     | 9.02      |



| No.            | Particulars                  | Total (A) | Male    |           | Female  |           |
|----------------|------------------------------|-----------|---------|-----------|---------|-----------|
|                |                              |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>WORKERS</b> |                              |           |         |           |         |           |
| 4.             | Permanent (F)                | 370       | 284     | 76.76     | 86      | 23.24     |
| 5.             | Other than Permanent (G)     | 1915      | 1891    | 98.75     | 24      | 1.25      |
| 6.             | <b>Total workers (F + G)</b> | 2285      | 2175    | 95.19     | 110     | 4.81      |

**b. Differently abled Employees and workers:**

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

**21. 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 Managing Director/Whole Time Director which are also Board Members.

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

|                     | FY 2023-24 |        |       | FY 2022-23 |        |       | FY 2021-22 |        |       |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
|                     | Male       | Female | Total | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees | 19.85      | 17.05  | 19.52 | 31.66      | 28.88  | 30.27 | 16.03      | 23.93  | 19.98 |
| Permanent Workers   | 2.27       | 4.83   | 3.09  | 1.49       | 1.44   | 1.47  | 1.33       | 1.77   | 1.55  |

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

**23. (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   |



| 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) |
|--------|--|--|-----------------------------------|--|
| 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   |
| 9.     | Technocraft Extrusions Private Limited                                   | Subsidiary   | 100.00                            | No   |
| 10.    | BMS Industries Private Limited   | Subsidiary   | 100.00                            | No   |

#### VI. CSR Details

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

(ii) Turnover (in Rs.) – 1642.82 Crore

(iii) Net worth (in Rs.) – 1347.10 Crore

#### VI. Transparency and Disclosures Compliances

25. 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)<br><br>(If Yes, then provide web-link for grievance redress policy)   | FY 2023-24                                 |  |         | FY 2022-23                                 |  |                                      |
|---|--|--|--|---------|--|--|--------------------------------------|
|   |  | 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: <a href="https://technocraftgroup.com/ContactUs.aspx">https://technocraftgroup.com/ContactUs.aspx</a>   | 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 <a href="https://scores.gov.in">https://scores.gov.in</a><br><br>Additionally, Shareholders can write to RTA & Stock Exchanges & to the Company at investor@technocraftgroup.com | 0  | 0  | NA      | 1  | 0  | The complaint was promptly resolved. |
| Employees and workers                             | Yes. The grievance can be raised on:<br><br><a href="https://technocraftgroup.com/ContactUs.aspx">https://technocraftgroup.com/ContactUs.aspx</a><br><br>Additionally, HR can be approached for any grievances                           | 0  | 0  | NA      | 0  | 0  | NA                                   |



| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No)<br><br>(If Yes, then provide web-link for grievance redress policy)                              | FY 2023-24                                 |  |         | FY 2022-23                                 |  |         |
|---|---|--|--|---------|--|--|---------|
|   |   | 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 |
| Customers   | Yes. The grievance can be raised on:<br><br><a href="https://technocraftgroup.com/ContactUs.aspx">https://technocraftgroup.com/ContactUs.aspx</a> | 0  | 0  | NA      | 0  | 0  | NA      |
| Value Chain Partners                              | Yes. The grievance can be raised on: <a href="https://technocraftgroup.com/ContactUs.aspx">https://technocraftgroup.com/ContactUs.aspx</a>        | 0  | 0  | NA      | 0  | 0  | NA      |

**26. 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<sup>1</sup>**

| 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 plays a pivotal role in the manufacturing of industrial machinery. The predominant portion of energy expenditure in this sector is attributed to purchased electricity, followed by purchased fuels. The specific energy sources utilized, their consumption levels and the employed energy management approaches vary depending on the nature of the manufactured products. A company's energy composition, encompassing on-site generated electricity, grid-supplied electricity and alternative energy sources, can significantly impact both the cost and reliability of energy provision. Consequently, these factors ultimately influence the entity's cost framework and regulatory exposure. | The Company aims to optimize its energy sources, incorporating on-site electricity generation and alternative energy sources. This effort significantly influences the cost and reliability of energy supply, ultimately shaping the company's cost framework, environmental footprint and regulatory risk. | <b>Negative</b><br><br><b>*There was no negative financial impact for the reporting year 2023-24</b> |

<sup>1</sup>Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB). This follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022.



| 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                                       | Employees within industrial machinery manufacturing plants encounter various health and safety hazards, such as exposure to heavy machinery, moving equipment and electrical risks. Establishing a robust safety culture is imperative to proactively mitigate potential safety incidents. This proactive approach can lead to decreased healthcare expenses, litigation and disruptions to work operations.   | The Company endeavors to reduce health and safety risks by enforcing rigorous safety measures, which include incident reporting, thorough investigation and fostering a safety-oriented culture. By doing so, Technocraft strives to diminish safety-related costs and potentially enhance long-term productivity. | <p><b>Negative</b></p> <p><b>*There was no negative financial impact for the reporting year 2023-24</b></p> |
| 3      | Fuel Economy & Emissions in Use-phase | Risk                                       | Numerous products within the Industrial Machinery & Goods sector rely on fossil fuels and emit greenhouse gases (GHGs) and other air pollutants during operation. Rising consumer preferences for enhanced fuel efficiency, coupled with regulatory measures limiting emissions, are driving a growing demand for energy-efficient and lower-emission products within the industry.  | Technocraft is evaluating and shall strive to explore options for usage of renewable energy in the long run in order to reduce reliance on fossil fuels – to have a positive impact on environment & financials.   | <p><b>Negative</b></p> <p><b>*There was no negative financial impact for the reporting year 2023-24</b></p> |
| 4      | Materials Sourcing                    | Risk                                       | Industrial machinery companies face supply chain vulnerabilities when relying on crucial materials for their products. These entities often manufacture goods utilizing critical materials that have limited or no viable substitutes, many of which are obtained from a handful of countries, exposing them to geopolitical uncertainties. Furthermore, these companies encounter competition due to rising global demand for such materials across various sectors, leading to potential price hikes and supply instabilities. | The Company aims to minimize reliance on critical materials by exploring alternative options and ensuring a secure supply chain. This approach would help mitigate the risk of financial repercussions resulting from supply disruptions and fluctuations in input prices.   | <p><b>Negative</b></p> <p><b>*There was no negative financial impact for the reporting year 2023-24</b></p> |





| 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) |
|--------|---------------------------|--|---|--|--|
| 5      | Water management          | Opportunity                                | Industrial machinery and textile production are highly water-intensive, and improper water management can disrupt operations and damage reputations. The Company has effectively implemented Zero Liquid Discharge (ZLD) strategies across sectors such as Drum, Textile, and Pipe, emphasizing its commitment to sustainability and environmental stewardship. Additionally, the Company has deployed advanced treatment technologies, including RO-1, RO-2, RO-3, Nano, STP, ETP, and MEE Plant. These installations represent a thorough approach to wastewater management, demonstrating the Company's proactive stance on resource conservation and pollution control. This not only mitigates operational risks but also enhances the Company's reputation as a leader in sustainable industrial practices. | NA   | Positive   |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures

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

| Sr. No. | Name of policy  | Link to Policy  | Which Principles each policies goes into |
|---------|---|---|--|
| 1       | Whistle Blower Policy                                       | <a href="https://www.technocraftgroup.com/pdf/Whistle-Blower-Policy.pdf">https://www.technocraftgroup.com/pdf/Whistle-Blower-Policy.pdf</a>   | P1                                       |
| 2       | Code of Practice and Procedures for Fair Disclosure of UPSI | <a href="https://www.technocraftgroup.com/pdf/Code-Of-Practices-And-Procedures-For-Fair-Disclosure-Of-UPSI.pdf">https://www.technocraftgroup.com/pdf/Code-Of-Practices-And-Procedures-For-Fair-Disclosure-Of-UPSI.pdf</a> | P1                                       |



| Sr. No. | Name of policy   | Link to Policy  | Which Principles each policies goes into |
|---------|--|---|--|
| 3       | Code of Conduct  | <a href="https://www.technocraftgroup.com/pdf/Code%20of%20Conduct%20BoD.pdf">https://www.technocraftgroup.com/pdf/Code%20of%20Conduct%20BoD.pdf</a>   | 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 | <a href="https://www.technocraftgroup.com/pdf/Policy-For-Determining-Material-Subsidiary-Companies.pdf">https://www.technocraftgroup.com/pdf/Policy-For-Determining-Material-Subsidiary-Companies.pdf</a> | P1                                       |
| 7       | Archival Policy  | <a href="https://technocraftgroup.com/pdf/Archival-Policy-TIIL.pdf">https://technocraftgroup.com/pdf/Archival-Policy-TIIL.pdf</a>   | P1                                       |
| 8       | Preservation Policy                                    | <a href="https://technocraftgroup.com/pdf/Preservation-Policy-TIIL.pdf">https://technocraftgroup.com/pdf/Preservation-Policy-TIIL.pdf</a>   | P1, P4                                   |
| 9       | Policy on Determination of Materiality                 | <a href="https://technocraftgroup.com/pdf/Policy-on-Determination-of-Materiality-Reg.-30.pdf">https://technocraftgroup.com/pdf/Policy-on-Determination-of-Materiality-Reg.-30.pdf</a>                     | P1, P4                                   |
| 10      | Policy on Related Party Transactions                   | <a href="https://technocraftgroup.com/pdf/Policy-On-Related-Party-Transactions.pdf">https://technocraftgroup.com/pdf/Policy-On-Related-Party-Transactions.pdf</a>   | P1, P4                                   |
| 11      | Code of Conduct for Trading by Designated Person       | <a href="https://www.technocraftgroup.com/pdf/Code-Of-Conduct-For-Trading-By-Designated-Person.pdf">https://www.technocraftgroup.com/pdf/Code-Of-Conduct-For-Trading-By-Designated-Person.pdf</a>         | P1, P4                                   |
| 12      | Anti-Bribery and Anti-Corruption Policy                | Internal  | P1, P7                                   |
| 13      | Risk Management Policy                                 | Internal  | P1, P6                                   |
| 14      | Conflict of Interest policy                            | Internal  | P1, P4                                   |
| 15      | Non-discrimination policy                              | Internal  | P1, P5                                   |
| 16      | Supplier Code of Conduct                               | Internal  | P2, P9                                   |
| 17      | HR policy Manual                                       | Internal  | P3                                       |
| 18      | Dividend Distribution Policy                           | <a href="https://www.technocraftgroup.com/pdf/Dividend_Distribution_Policy_TIIL.pdf">https://www.technocraftgroup.com/pdf/Dividend_Distribution_Policy_TIIL.pdf</a>                                       | P1, P4                                   |
| 19      | Remuneration Policy                                    | <a href="https://www.technocraftgroup.com/pdf/Remuneration-Policy.pdf">https://www.technocraftgroup.com/pdf/Remuneration-Policy.pdf</a>   | P3, P5                                   |
| 20      | Corporate Social Responsibility (CSR) Policy           | <a href="https://technocraftgroup.com/pdf/Corporate-Social-Responsibility-(CSR)-Policy.pdf">https://technocraftgroup.com/pdf/Corporate-Social-Responsibility-(CSR)-Policy.pdf</a>                         | P4, P8                                   |
| 21      | Grievance Redressal Policy                             | Internal  | P5, P8, P9                               |
| 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, The Company's policies currently do not extend to its value chain partners, the same shall be assessed and taken up accordingly in the coming years. |     |     |     |     |     |    |     |     |



|   |  |  |
|---|--|--|
| 4.  | <b>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.</b> | The Company has following certifications:<br>i. BIS License for QMS for Pipe Division<br>ii. ISO 9001:2000 certification for QMS for its Yarn Division<br>iii. Welding Certificate issued under European Standard EN 1090-3 for execution of structural aluminum components<br>iv. ISO 45001: 2015 (For occupational health and management system) obtained for Murbad, Amravati and Pipe unit<br>v. ISO 14001: 2015 (Environmental Management System) obtained for Textile, Pipe and Drum Division.   |
| 5.  | <b>Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>   | As a Company and a global citizen, it's crucial for the well-being of both our business and our planet that we adopt innovative approaches to progress. We recognize that sustainability is closely linked to the resilience and expansion of our business, and that our size and influence can facilitate positive change for everyone. The Company is committed to setting and accomplishing goals in its ongoing journey towards environmental, social and governance (ESG) excellence.   |
| 6.  | <b>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>  |  |
| <b>Governance, leadership and oversight</b> |  |  |
| 7.  | <b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</b>   | The ongoing shift towards more sustainable lifestyles is reshaping trends across all industries, including ours. Today, the wide array of products incorporating innovation necessitates producers to continually enhance quality and offer items with reduced carbon footprints. Alongside monetary considerations, the non-monetary aspects of sustainability are crucial for comprehensive business growth. This underscores the importance of formally recognizing and adhering to best practices in the realms of Environment, Social, and Governance (ESG).<br><br>In the coming years, the company aims to intensify its sustainability initiatives by minimizing emissions, optimizing resource usage, streamlining processes, prioritizing energy efficiency, and adopting a multifaceted digital approach, thereby enhancing its existing practices.<br><br>- Dr. Sharad Kumar Saraf |
| 8.  | <b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>  | Dr. Sharad Kumar Saraf<br>Managing Director  |
| 9.  | <b>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.</b>  | Technocraft does not at present have a specified forum for dealing with sustainability issues; however it is working towards establishing a formal mechanism.  |



| 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 |
| <b>Performance against above policies and follow up action</b>  | The Board of Directors or relevant committees, such as the Nomination and Remuneration Committee, Risk Management Committee and Audit Committee, assess the implementation of the aforementioned policies and take appropriate follow-up actions. These reviews occur annually, at times once every two to three years or whenever updates are necessary due to changes in applicable laws. |    |    |    |    |    |    |    |    | Annually   |    |    |    |    |    |    |    |    |
| <b>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</b> | The Company's Board and Committees (wherever entrusted to) ensure timely monitoring and fulfillment of compliance obligations.  |    |    |    |    |    |    |    |    | Quarterly  |    |    |    |    |    |    |    |    |

|  | P1   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|--|----|----|----|----|----|----|----|----|
| <b>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.</b> | Yes, Dhir & Dhir Associates, an eminent legal firm, conducted an evaluation to assess the implementation and effectiveness of policies. The evaluation primarily focused on the efficacy of policy execution. Moreover, the policies undergo periodic evaluations and revisions led by department heads and business heads, followed by approval from the management or board. It is important to mention that internal auditors and regulatory bodies may review the processes and compliance measures, as necessary. |    |    |    |    |    |    |    |    |

**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 |
|--|----|----|----|----|----|----|----|----|----|
| <b>The entity does not consider the Principles material to its business (Yes/No)</b>   | NA |    |    |    |    |    |    |    |    |
| <b>The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)</b> |    |    |    |    |    |    |    |    |    |
| <b>The entity does not have the financial or/human and technical resources available for the task (Yes/No)</b>                         |    |    |    |    |    |    |    |    |    |
| <b>It is planned to be done in the next financial year (Yes/No)</b>  |    |    |    |    |    |    |    |    |    |



## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

The Nine Principles of BRSR provide a framework for companies to integrate sustainability into their core business strategies, driving positive impacts on society, the environment and long-term business performance.

**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   | 100.00  |
| Key Managerial Personnel          | 4  | Legal Updates; Business Updates; Cyber Security   | 100.00  |
| Employees other than BoD and KMPs | 45   | The Company periodically updates and familiarises employees, Motivation seminar, Safety management, Administration Control, Work at Height; Electrical Safety (LOTO); Heat Stress, Ergonomic, PPE, HR | 75.00   |
| Workers                           | 694  | The Company's safety training program covers safety management, mock drills, hydrant-operating procedures, SOP training, heat stress management, proper use of PPE, and HR frameworks.                | 74.00   |

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    | The Company did not incur any 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  |   |                 |                   |  |
| Settlement      |   |   |                 |                   |  |
| Compounding Fee |   |   |                 |                   |  |
| Non-Monetary    |   |   |                 |                   |  |
| Imprisonment    | The Company did not incur any 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. |   |                 |                   |  |
| 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 dedicated to conducting its business with integrity and in accordance with relevant laws. Our Code of Business Conduct and Ethics mandates that the Company, its employees, and representatives adhere to company policies and all applicable laws. Non-compliance in any form will result in stringent actions being taken. The Company's Anti-Bribery and Anti-Corruption (ABAC) policy is accessible internally to our 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 2023-24  | FY 2022-23 |
|-----------|---|------------|
| Directors | No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of our Directors/ KMPs/ employees/ workers. |            |
| KMPs      |   |            |
| Employees |   |            |
| Workers   |   |            |

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

|  | FY 2023-24 |         | FY 2022-23 |         |
|--|------------|---------|------------|---------|
|  | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of conflict of interest of the Directors | 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.

Throughout the reporting year, there were no instances of corruption or conflicts of interest that necessitated intervention from regulators, law enforcement agencies, or judicial institutions.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

|                                     | FY 2023-24 | FY 2022-23 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 42.37      | 38.13      |





## 9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics  | FY 2023-24 | FY 2022-23 |
|----------------------------|--|------------|------------|
| Concentration of Purchases | a. Purchases from Trading houses as % of total purchases                               | NIL        | NIL        |
|                            | b. Number of trading houses where purchases and made from                              | NIL        | NIL        |
|                            | c. Purchases from top 10 trading houses as % of total purchases from trading houses    | NIL        | NIL        |
| Concentration of Sales     | a. Sales to dealers/distributors as % of total sales                                   | NIL        | NIL        |
|                            | b. Number of dealers/distributors to whom sales are made                               | NIL        | NIL        |
|                            | c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors    | NIL        | NIL        |
| Share of RPTs in           | a. Purchases (Purchases with related parties/Total Purchases)                          | 27.34      | 30.21      |
|                            | b. Sales (Sales to related parties/Total Sales)  | 8.62       | 7.11       |
|                            | c. Loans & advances (Loans & advances given to related parties/Total loans & advances) | 56.60      | 82.57      |
|                            | d. Investments (Investments in related parties/ Total Investments made)                | 64.78      | 17.11      |

### 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) that were assessed |
|---|---|---|
| The Company's ethics policies are being shared with all our value partners via email However, no formal awareness programmes were conducted during reporting period |   |   |

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 maintains a strong process to prevent conflicts of interest and adheres to the Code of Conduct for Directors and Senior Management Policy. These policies offer explicit guidelines and mechanisms to address any existing or potential conflicts of interest. Board members are required to provide declarations to the Company, disclosing any personal interests they may have.

Web link: <https://www.technocraftgroup.com/pdf/Code%20of%20Conduct%20BoD.pdf>

## 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.



|                | 2023-24 | 2022-23 | Details of Improvements in environmental and social impacts |
|----------------|---------|---------|---|
| <b>R&amp;D</b> | 0.00    | 0.00    | Nil   |
| <b>Capex</b>   | 0.00    | 0.00    | Nil   |

\*Note: R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes is not separately monitored. Hence, the data is not quantifiable.

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

Yes, The Company exclusively collaborates with vendors who comply with all statutory regulations and their performance is evaluated based on their environmental and social impact as well.

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

Even though the Company has not conducted a formal assessment of the precise percentage of sustainable sourcing to date, it plans to establish a mechanism to evaluate this in the future. The Company strives to source its raw material in a sustainable manner as much as possible.

**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 outlined in Leadership Indicator 4, specific plastic packaging is reused. Apart from this, there is no reclamation of our products. We have engaged authorised third parties for disposal of our other Plastic waste, E-waste & Hazardous waste.

**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.**

The Company is not subject to Extended Producer Responsibility.

**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)<br>If yes, provide the web-link. |
|----------|--------------------------|---------------------------------|--|---|---|
| NA       |                          |                                 |  |   |   |

**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 |
|--------------------------|----------------------------------|--------------|
| NA                       |                                  |              |

**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 2023-24   | FY 2022-23   |
| <b>Recycled Fiber</b>    | Not ascertainable                                    | Less than 2% |
| <b>Cotton Noil Waste</b> | Not ascertainable                                    | 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 2023-24        |          |                 | FY 2022-23 |          |                 |
|--------------------------------|-------------------|----------|-----------------|------------|----------|-----------------|
|                                | Re-Used           | Recycled | Safely Disposed | Re-Used    | Recycled | Safely Disposed |
| Plastics (including packaging) | Not ascertainable |          |                 | 25%        | 0        | 75%             |
| E-waste                        |                   |          |                 | -          | -        | -               |
| Hazardous Waste                |                   |          |                 | -          | -        | -               |
| Other waste                    |                   |          |                 | -          | -        | -               |

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)      |
| <b>Permanent Employees</b>            |             |                  |              |                    |              |                    |               |                    |             |                     |              |
| Male                                  | 1160        | 649              | 55.95        | 1119               | 96.47        | 0                  | 0.00          | 0                  | 0.00        | 325                 | 28.02        |
| Female                                | 115         | 84               | 73.04        | 115                | 100.00       | 115                | 100.00        | 0                  | 0.00        | 7                   | 6.09         |
| <b>Total*</b>                         | <b>1275</b> | <b>733</b>       | <b>57.49</b> | <b>1234</b>        | <b>96.78</b> | <b>115</b>         | <b>100.00</b> | <b>0</b>           | <b>0.00</b> | <b>332</b>          | <b>26.04</b> |
| <b>Other than Permanent Employees</b> |             |                  |              |                    |              |                    |               |                    |             |                     |              |
| 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         |
| <b>Total</b>                          | <b>0</b>    | <b>0</b>         | <b>0.00</b>  | <b>0</b>           | <b>0.00</b>  | <b>0</b>           | <b>0.00</b>   | <b>0</b>           | <b>0.00</b> | <b>0</b>            | <b>0.00</b>  |

\* Percentage of (D) – maternity benefit is calculated as 100% as per FAQs on BRSR issued by NSE dt. May 10, 2024

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

| % of Workers 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)     |
| <b>Permanent Workers</b> |            |                  |              |                    |              |                    |             |                    |             |                     |             |
| Male                     | 284        | 142              | 50.00        | 142                | 50.00        | 0                  | 0.00        | 0                  | 0.00        | 0                   | 0.00        |
| Female                   | 86         | 0                | 0.00         | 0                  | 0.00         | 0                  | 0.00        | 0                  | 0.00        | 0                   | 0.00        |
| <b>Total</b>             | <b>370</b> | <b>142</b>       | <b>38.38</b> | <b>142</b>         | <b>38.38</b> | <b>0</b>           | <b>0.00</b> | <b>0</b>           | <b>0.00</b> | <b>0</b>            | <b>0.00</b> |



| <b>% of Workers covered by</b>      |                      |                         |                    |                           |                    |                           |                    |                           |                    |                            |                    |
|-------------------------------------|----------------------|-------------------------|--------------------|---------------------------|--------------------|---------------------------|--------------------|---------------------------|--------------------|----------------------------|--------------------|
|                                     | <b>Total<br/>(A)</b> | <b>Health Insurance</b> |                    | <b>Accident Insurance</b> |                    | <b>Maternity Benefits</b> |                    | <b>Paternity Benefits</b> |                    | <b>Day Care facilities</b> |                    |
|                                     |                      | <b>Number<br/>(B)</b>   | <b>%<br/>(B/A)</b> | <b>Number<br/>(C)</b>     | <b>%<br/>(C/A)</b> | <b>Number<br/>(D)</b>     | <b>%<br/>(D/A)</b> | <b>Number<br/>(E)</b>     | <b>%<br/>(E/A)</b> | <b>Number<br/>(F)</b>      | <b>%<br/>(F/A)</b> |
| <b>Other than Permanent Workers</b> |                      |                         |                    |                           |                    |                           |                    |                           |                    |                            |                    |
| Male                                | 1891                 | 1564                    | 82.71              | 1564                      | 82.71              | 0                         | 0.00               | 0                         | 0.00               | 327                        | 17.29              |
| Female                              | 24                   | 0                       | 0.00               | 0                         | 0.00               | 0                         | 0.00               | 0                         | 0.00               | 24                         | 100.00             |
| <b>Total</b>                        | <b>1915</b>          | <b>1564</b>             | <b>81.67</b>       | <b>1564</b>               | <b>81.67</b>       | <b>0</b>                  | <b>0.00</b>        | <b>0</b>                  | <b>0.00</b>        | <b>351</b>                 | <b>18.33</b>       |

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

|   | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.032      | 0.024      |

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

| Benefits | FY 2023-24   |  |  | FY 2022-23   |  |  |
|----------|--|--|--|--|--|--|
|          | 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       | 85.96  | 93.70  | Y  | 82.98  | 83.33  | Y  |
| Gratuity | 95.61  | 6.21   | N.A  | 83.33  | 33.33  | N.A  |
| ESI      | 33.88  | 82.93  | Y  | 10.51  | 53.03  | 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 implemented necessary measures in compliance with the Rights of Persons with Disabilities Act, 2016. Company's premises are equipped with ramps, lift facilities and entrances that are wheelchair accessible.

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.

The Company upholds the principle of equal opportunity in the workplace and is dedicated to providing such opportunities without discrimination based on age, gender, caste, race, or colour. Although, no such policy currently exists in the Company; but, Plans are underway to formalize the same in the future.

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

|              | Permanent Employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | NA                  | NA             | NA                  | NA             |
| Female       | 100.00              | 100.00         | NA                  | NA             |
| <b>Total</b> | <b>50.00</b>        | <b>50.00</b>   | <b>NA</b>           | <b>NA</b>      |



**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.**

|                                | <b>Yes/No (If Yes, then give details of the mechanism in brief)</b>   |
|--------------------------------|---|
| Permanent Workers              | Yes. In addition to contacting the department head and HR head, employees and workers can approach the Works Committee and Grievance Committee of the Company to address grievances. Furthermore, there is an Internal Complaints Committee established under POSH to handle any complaints of sexual harassment. |
| 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 2023-24   |   |           | FY 2022-23   |   |           |
|---------------------------|--|---|-----------|--|---|-----------|
|                           | 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 | 1275   | 103   | 8.08      | 1304   | 175   | 13.42     |
| Male                      | 1160   | 99  | 8.53      | 1206   | 171   | 14.18     |
| Female                    | 115  | 4   | 3.48      | 98   | 4   | 4.08      |
| Total Permanent Worker*   | 370  | 142   | 38.38     | 464  | 0   | 0.00      |
| Male                      | 284  | 142   | 50.00     | 461  | 0   | 0.00      |
| Female                    | 86   | 0   | 0         | 3  | 0   | 0.00      |

\*Due to closure of the Yarn division in the reporting year 2023-24 and automation of process, there has been a considerable decrease in count of workers

**8. Details of training given to employees and workers:**

|                  | FY 2023-24 |                               |         |                      |         | FY 2022-23 |                               |         |                      |         |
|------------------|------------|-------------------------------|---------|----------------------|---------|------------|-------------------------------|---------|----------------------|---------|
|                  | 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) |
| <b>Employees</b> |            |                               |         |                      |         |            |                               |         |                      |         |
| <b>Male</b>      | 1160       | 876                           | 75.52   | 81                   | 6.98    | 1206       | 975                           | 80.85   | 601                  | 49.83   |
| <b>Female</b>    | 115        | 48                            | 41.74   | 10                   | 8.70    | 98         | 47                            | 47.96   | 5                    | 5.10    |
| <b>Total</b>     | 1275       | 924                           | 72.47   | 91                   | 7.14    | 1304       | 1022                          | 78.37   | 606                  | 46.47   |
| <b>Workers</b>   |            |                               |         |                      |         |            |                               |         |                      |         |
| <b>Male</b>      | 2175       | 2110                          | 97.01   | 221                  | 10.16   | 2249       | 1972                          | 87.68   | 613                  | 27.26   |
| <b>Female</b>    | 110        | 93                            | 84.55   | 86                   | 78.18   | 44         | 22                            | 50.00   | 22                   | 50.00   |
| <b>Total</b>     | 2285       | 2203                          | 96.41   | 307                  | 13.44   | 2293       | 1993                          | 86.92   | 635                  | 27.69   |



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

| Category         | FY 2023-24  |            |              | FY 2022-23  |             |              |
|------------------|-------------|------------|--------------|-------------|-------------|--------------|
|                  | Total (A)   | No. (B)    | % (B/A)      | Total (C)   | No. (D)     | % (D/C)      |
| <b>Employees</b> |             |            |              |             |             |              |
| Male             | 1160        | 365        | 31.47        | 1206        | 1005        | 83.33        |
| Female           | 115         | 77         | 66.96        | 98          | 64          | 65.31        |
| <b>Total</b>     | <b>1275</b> | <b>442</b> | <b>34.67</b> | <b>1304</b> | <b>1069</b> | <b>81.98</b> |
| <b>Workers</b>   |             |            |              |             |             |              |
| Male             | 2175        | 0          | 0.00         | 2249        | 2049        | 93.11        |
| Female           | 110         | 0          | 0.00         | 44          | 28          | 63.64        |
| <b>Total</b>     | <b>2285</b> | <b>0</b>   | <b>0.00</b>  | <b>2293</b> | <b>2122</b> | <b>92.54</b> |

\*Note: The percentage only reflects the number of Employees that were in the appraisal cycle in the financial year.

**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 is committed to minimizing the likelihood of incidents and fostering a secure work environment. With a focus on occupational safety, it strives to recognize and address workplace hazards. The Company holds ISO 45001:2015 certification for occupational health and management systems from TUV for its Murbad, Amravati and Pipe unit, ensuring compliance with all necessary standards.

- 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 led by Key Management Personnel (KMPs), during which work-related hazards and concerns are addressed and resolved promptly. Additionally, the Company has implemented a Hazard Identification and Risk Assessment (HIRA) system, wherein risks are evaluated and mitigated according to the established procedure.

- 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 implemented a Hazard Identification and Risk Assessment (HIRA) system, with workers trained to address work hazards and promptly report any emergencies. This system identifies and maps work hazards for each zone and activity, providing specific precautions to safeguard against them.

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

Yes. The Company has established a partnership with a local hospital to offer healthcare services to its employees and workers. Additionally, annual health check-ups are conducted for all employees and workers.

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

| Safety Incident/Number  | Category  | FY 2023-24 | FY 2022-23 |
|---|-----------|------------|------------|
| 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          | 0          |





| Safety Incident/Number  | Category  | FY 2023-24 | FY 2022-23 |
|---|-----------|------------|------------|
| 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 supplied Personal Protective Equipment to employees to reduce exposure to hazards that can lead to significant workplace injuries and illnesses. Additionally, regular machine audits are conducted to enhance workplace safety to the best of our ability.

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

|                    | FY 2023-24   |                                       |         | FY 2022-23   |                                       |         |
|--------------------|--|---------------------------------------|---------|--|---------------------------------------|---------|
|                    | 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 | No complaints of this nature were identified during the reporting year |                                       |         | No complaints of this nature were identified during the year |                                       |         |
| 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 | The mentioned parameters were assessed under ISO 45001: 2015 for all the units. However, the percentage is not quantifiable. |
| Working Conditions          |  |

**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.**

N/A, as there were no incidents of this nature identified throughout 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 Company's workforce, below the statutory threshold, is covered by ESIC (Employee State Insurance Corporation). Additionally, there is an accident insurance and medical insurance policy in place, which extends coverage to all employees and workers not covered under ESIC. In the unfortunate event of a fatality, the Company follows the workmen compensation mechanism as prescribed by law.

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

Currently, there is no system in place to ensure that the Company's value chain partners deduct and remit the statutory dues they are obligated to deduct. However, the Company looks forward to establish a system for effective monitoring of this aspect of its sustainability.

**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 2023-24                              | FY 2022-23 | FY 2023-24  | FY 2022-23 |
| Employees | NIL                                     | NIL        | NIL   | 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)**

The Company did not implement any such program 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          | NIL   |

**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.

**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 acknowledges that primary stakeholders consist of individuals, groups or institutions that contribute value to its operations. Through a stakeholder mapping initiative, key stakeholders such as shareholders, employees, workers, and customers have been identified. The Company understands the significance of these stakeholders in its sustainability journey and strives to engage and cooperate with them efficiently to bolster the overall value and prosperity 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  |



| 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 |
|---------------------|---|--|---|---|
| Shareholders        | No  | Email/ Meetings/ Newspaper publications  | 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/ Calls, Meetings   | Monthly/ Need basis   | Follow up w.r.t order delivery and other deliverables   |
| Investors & funders | No  | Email, Meetings  | Periodically  | Business Operations   |
| 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 regularly convenes meetings with various stakeholders to address various aspects related to its business operations and to tackle governance, social and environmental challenges. To ensure comprehensive examination and careful assessment, the Company also engages consultants. The analysis report undergoes scrutiny by management before being presented to the Board, as required.

- 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 provides guidance to the management regarding actions to be taken on the mentioned subjects, and suggests integrating them into existing policies or developing new ones as deemed necessary, following discussions 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 occurrences were detected within the 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 2023-24 |                                      |         | FY 2022-23 |                                      |         |
|----------------------|------------|--------------------------------------|---------|------------|--------------------------------------|---------|
|                      | Total (A)  | No. of employees/workers covered (B) | % (B/A) | Total (C)  | No. of employees/workers covered (D) | % (D/C) |
| <b>Employees</b>     |            |                                      |         |            |                                      |         |
| Permanent            | 1275       | 1275                                 | 100.00  | 1304       | 0                                    | 0.00    |
| Other than permanent | 0          | 0                                    | 0.00    | 0          | 0                                    | 0.00    |
| Total Employees      | 1275       | 1275                                 | 100.00  | 1304       | 0                                    | 0.00    |
| <b>Workers</b>       |            |                                      |         |            |                                      |         |
| Permanent            | 370        | 370                                  | 100.00  | 464        | 0                                    | 0.00    |
| Other than permanent | 1915       | 1564                                 | 81.67   | 1829       | 0                                    | 0.00    |
| Total Workers        | 2285       | 1934                                 | 84.64   | 2293       | 0                                    | 0.00    |

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

| Category             | FY 2023-24 |                       |         |                        |         | 2022-23   |                       |         |                        |         |
|----------------------|------------|-----------------------|---------|------------------------|---------|-----------|-----------------------|---------|------------------------|---------|
|                      | 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) |
| <b>Employees</b>     |            |                       |         |                        |         |           |                       |         |                        |         |
| Permanent            | 1275       | 12                    | 0.94    | 1263                   | 99.06   | 1304      | 151                   | 11.58   | 1153                   | 85.51   |
| Male                 | 1160       | 9                     | 0.78    | 1151                   | 99.22   | 1206      | 149                   | 12.35   | 1057                   | 87.65   |
| Female               | 115        | 3                     | 2.61    | 112                    | 97.39   | 98        | 2                     | 2.04    | 96                     | 97.96   |
| Other than Permanent | 0          | 0                     | 0.00    | 0                      | 0.00    | 0         | 0                     | 0.00    | 0                      | 0.00    |
| Male                 | 0          | 0                     | 0.00    | 0                      | 0.00    | 0         | 0                     | 0.00    | 0                      | 0.00    |
| Female               | 0          | 0                     | 0.00    | 0                      | 0.00    | 0         | 0                     | 0.00    | 0                      | 0.00    |
| <b>Workers</b>       |            |                       |         |                        |         |           |                       |         |                        |         |
| Permanent            | 370        | 5                     | 1.35    | 365                    | 98.65   | 464       | 279                   | 60.13   | 185                    | 39.87   |
| Male                 | 284        | 5                     | 1.76    | 279                    | 98.24   | 461       | 279                   | 60.54   | 182                    | 39.48   |
| Female               | 86         | 0                     | 0.00    | 86                     | 100.00  | 3         | 0                     | 0.00    | 3                      | 100.00  |
| Other than Permanent | 1915       | 838                   | 43.76   | 1077                   | 56.24   | 1829      | 141                   | 7.71    | 1688                   | 92.29   |
| Male                 | 1891       | 814                   | 43.05   | 1077                   | 56.95   | 1788      | 122                   | 6.82    | 1666                   | 93.18   |
| Female               | 24         | 24                    | 100.00  | 0                      | 0.00    | 41        | 19                    | 46.34   | 22                     | 53.66   |



**3. Details of remuneration/salary/wages, in the following format:**

**a. Median remuneration/wages:**

|   | Male   |   | Female |   |
|---|--------|---|--------|---|
|   | Number | Median remuneration/ Salary/ Wages of respective category | Number | Median remuneration/ Salary/ Wages of respective category |
| <b>Board of Directors (BoD)*</b>        | 5      | 14640000  | 1      | Nil   |
| <b>Key Managerial Personnel\$</b>       | 6      | 14640000  | 0      | Nil   |
| <b>Employees other than BoD and KMP</b> | 1154   | 504877  | 115    | 427333  |
| <b>Workers</b>                          | 284    | 143832  | 86     | 118560  |

\* 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.

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

|   | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Gross wages paid to females as % of total wages | 3.5        | 3.5        |

**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, the Head of Department, along with the Heads of all plants and the Head Office, are responsible for addressing all matters concerning human rights.

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

The Company operates an Employee-Worker Participation Committee, tasked with addressing and resolving human rights-related concerns or grievances. This committee ensures that all complaints are carefully considered, respecting the privacy of employees and workers, and resolved within designated time frames.

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

|                                   | FY 2023-24            |   |         | FY 2022-23            |   |         |
|-----------------------------------|-----------------------|---|---------|-----------------------|---|---------|
|                                   | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Sexual harassment                 |                       |   |         |                       |   |         |
| Discrimination at workplace       |                       |   |         |                       |   |         |
| Child Labour                      |                       |   |         |                       |   |         |
| Forced Labour/ Involuntary Labour |                       |   |         |                       |   |         |
| Wages                             |                       |   |         |                       |   |         |
| Other Human Rights related issues |                       |   |         |                       |   |         |
|                                   |                       | NIL                                       |         |                       | NIL                                       |         |



**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

|   | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0.00       | 0.00       |
| Complaints on POSH as a % of female employees / workers   | 0.00       | 0.00       |
| Complaints on POSH upheld   | 0.00       | 0.00       |

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

The Company is committed to establishing a safe and supportive work environment for its employees. Through its Whistle-blower and POSH Policy, the Company safeguards the identity of individuals raising grievances, while also ensuring that their employment is not adversely affected.

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

At present, even though there is no formal process of incorporating human rights related clauses in our business agreements, the Company is currently in the process of updating its standard agreement templates and incorporating human rights provisions. This effort also extends to instances where the Company does not utilize its standard agreement templates, ensuring that human rights considerations are integrated into its business agreements.

**10. 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                       |   |

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

Not Applicable, as no risks of this nature have been identified.

**Leadership Indicators**

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

The Company is dedicated to updating its processes whenever necessary. There was no pressing need for process alteration during the reporting period, hence no modifications have been done.

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

The Company did not undertake any human rights due diligence throughout 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 offices and plants are designed to be accessible to visitors with disabilities. They are equipped with ramps, lift facilities, and entrances that are wheelchair accessible.





#### 4. Details on assessment of value chain partners:

|                                    | <b>% of value chain partners (by value of business done with such partners) that were assessed</b> |
|------------------------------------|--|
| 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 the Company has not identified any risks of this nature.

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

#### Essential Indicators

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter   | <b>FY 2023-24</b><br>(In Gigajoules) | <b>FY 2022-23</b><br>(In Gigajoules) |
|---|--------------------------------------|--------------------------------------|
| <b>From renewable sources</b>   |                                      |                                      |
| Total electricity consumption (A)   | 0.00                                 | 0.00                                 |
| Total fuel consumption (B)  | 0.00                                 | 0.00                                 |
| Energy consumption through other sources (C)  | 0.00                                 | 0.00                                 |
| <b>Total Energy consumption from renewable sources (A+B+C)</b>  | <b>0.00</b>                          | <b>0.00</b>                          |
| <b>From non-renewable sources</b>   |                                      |                                      |
| Total electricity consumption (D)   | 2,15,612.61                          | 2,50,551.15                          |
| Total fuel consumption (E)  | 3,28,414.83                          | 3,16,743.71                          |
| Energy consumption through other sources (F)  | -                                    | -                                    |
| <b>Total Energy consumption from non-renewable sources (D+E+F)</b>  | <b>5,44,027.44</b>                   | <b>5,67,294.87</b>                   |
| <b>Total energy consumed (A+B+C+D+E+F)</b>  | <b>5,44,027.44</b>                   | <b>5,67,294.87</b>                   |
| Energy intensity per rupee of turnover<br>(Total energy consumption/ Revenue from Operations) – GJ/Rupees   | <b>0.000033</b>                      | <b>0.000031</b>                      |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)<br>(Total energy consumed / Revenue from operations adjusted for PPP) – GJ/Rupees | <b>0.00074</b>                       | <b>0.00069</b>                       |
| Energy intensity in terms of physical output – GJ/MT  | <b>9.62</b>                          | <b>10.15</b>                         |
| Energy intensity (optional) – the relevant metric may be selected by the entity   | -                                    | -                                    |

\* Production output has been taken of all the units except Drum for FY 23-24. And, for FY 22-23, production output was considered of every unit except drum and garments, as the quantity of the product was not mentioned.

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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

Our facilities at Technocraft Industries Ltd. are not included within the ambit of the Perform, Achieve, and Trade (PAT) Scheme initiated by the Government of India

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

| Parameter  | FY 2023-24         | FY 2022-23         |
|--|--------------------|--------------------|
| <b>Water withdrawal by source (in kilolitres)</b>  |                    |                    |
| (i) Surface water  | 0.00               | 0.00               |
| (ii) Groundwater   | 0.00               | 0.00               |
| (iii) Third party water  | 2,28,932.98        | 2,61,749.32        |
| (iv) Seawater / desalinated water  | 0.00               | 0.00               |
| (v) Others   | 0.00               | 0.00               |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>  | <b>2,28,932.98</b> | <b>2,61,749.32</b> |
| <b>Total volume of water consumption (in kilolitres)</b>   | <b>2,28,272.64</b> | <b>2,61,650.61</b> |
| <b>Water intensity per rupee of turnover (Water consumed / Revenue from operations) – KL/Rupees</b>  | <b>0.000014</b>    | <b>0.000014</b>    |
| <b>Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) - KL/Rupees</b> | <b>0.00031</b>     | <b>0.00032</b>     |
| <b>Water intensity in terms of physical output – KL/MT</b>   | <b>4.04</b>        | <b>4.68</b>        |
| <b>Water intensity (optional) – the relevant metric may be selected by the entity</b>  | <b>-</b>           | <b>-</b>           |

\* Production output has been taken of all the units except Drum for FY 23-24. And, for FY 22-23, production output was considered of every unit except drum and garments, as the quantity of the product was not mentioned.

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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

4. Provide the following details related to water discharged

| Parameter  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |            |            |
| (i) To Surface water   | 0.00       | 0.00       |
| - No treatment   |            |            |
| - With treatment – please specify level of treatment                         |            |            |
| (ii) To Groundwater  | 0.00       | 0.00       |
| - No treatment   |            |            |
| - With treatment – please specify level of treatment                         |            |            |



| Parameter  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| <b>(iii) To Seawater</b>                             | 0.00       | 0.00       |
| - No treatment                                       |            |            |
| - With treatment – please specify level of treatment |            |            |
| <b>(iv) Sent to third-parties</b>                    |            |            |
| - No treatment                                       | 660.34     | 98.71      |
| - With treatment – please specify level of treatment |            |            |
| <b>(v) Others</b>                                    | 0.00       | 0.00       |
| - No treatment                                       |            |            |
| - With treatment – please specify level of treatment |            |            |
| <b>Total water discharged (in kilolitres)</b>        | 660.34     | 98.71      |

**\*Due to the successful implementation of Zero liquid Discharge in Drum, Textile and Pipe, there is no water discharge. And, the water discharge shown in the table, is only from the Head office.**

**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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

Indeed, Zero Liquid Discharge (ZLD) strategies have been effectively implemented across various divisions including Drum, Textile, and Pipe. This initiative underscores the company's commitment to sustainable practices and environmental stewardship.

Moreover, the company has strategically deployed a range of cutting-edge treatment technologies including RO-1, RO-2, RO-3, Nano, STP, ETP, and MEE Plant. These installations represent a comprehensive approach to wastewater management, reflecting the organization's proactive stance towards resource conservation and pollution mitigation.

In particular, our provision of a comprehensive Effluent Treatment Plant (ETP) for the treatment of industrial effluents encompasses primary, secondary, and tertiary treatment processes, augmented by ultra-filtration and a sophisticated 4-stage Reverse Osmosis (RO) system. The utilization of Reverse Osmosis permeate for utility purposes marks a pivotal achievement in realizing ZLD objectives within the industry. Notably, RO rejects undergo further treatment through Advanced Thermal Fluidized Bed Dryer (ATFD) and Mechanical Vapor Recompression (MVR) Evaporator (MEE) plants, ensuring minimal waste and maximizing resource recovery.

Additionally, our implementation of Sewage Treatment Plants (STPs) for domestic effluent treatment demonstrates a holistic approach to water management. The treated water from these plants finds purposeful reuse in land irrigation, contributing to sustainable landscaping practices and reducing reliance on freshwater resources.

In Pipe division, everyday, we successfully recycle a substantial amount of wastewater: 60,000 liters via the Effluent Treatment Plant (ETP), 50,000 liters through the Sewage Treatment Plant (STP), and 10,000 liters in the Multiple Effect Evaporation (MEE) Plant. These comprehensive recycling processes enable our factory to function as a Zero Liquid Discharge (ZLD) facility.

The reclaimed water is efficiently utilized within our manufacturing processes and for irrigation of our gardens. This practice highlights our commitment to environmental stewardship and resource conservation, ensuring that no treated water goes to waste.

In summary, the integration of advanced treatment technologies and holistic wastewater management strategies exemplify the company's proactive efforts towards achieving environmental sustainability and regulatory compliance across its operations.



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

| Parameter                           | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|------------|------------|
| NOx                                 | mg/m3               | 40.38      | 46.37      |
| SOx                                 | mg/m3               | 1519.66    | 154.18     |
| Particulate matter (PM)             | mg/m3               | 175.59     | 46.40      |
| Persistent organic pollutants (POP) | -                   | 0.00       | 0.00       |
| Volatile organic compounds (VOC)    | -                   | 0.00       | 0.00       |
| Hazardous air pollutants (HAP)      | -                   | 0.00       | 0.00       |
| Others _HCL                         | mg/m3               | 58.90      | 52.78      |

\*For FY 22-23, the data for air emissions from Pipe division was not available.

**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.**

The external assessment for the Pipe and Drum divisions is conducted by M/S Aeroclean Associates. In the Textiles unit, the assessment is carried out by both M/S Aeroclean Associates and M/S Sadekar Enviro Engineering Pvt. Ltd.

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

| Parameter  | Unit                                    | FY 2023-24 | FY 2022-23 |
|--|---|------------|------------|
| <b>Total Scope 1 emissions</b><br>(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)   | Metric tonnes of CO2 equivalent         | 25,948.28  | 25,506.58  |
| <b>Total Scope 2 emissions</b><br>(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)   | Metric tonnes of CO2 equivalent         | 49,111.76  | 56,374.01  |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)   | Metric tonnes of CO2 equivalent /Rupees | 0.0000046  | 0.0000045  |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Metric tonnes of CO2 equivalent /Rupees | 0.000102   | 0.000099   |
| <b>Total Scope 1 and Scope 2 emissions intensity in terms of physical output</b>   | Metric tonnes of CO2 equivalent /MT     | 1.33       | 1.47       |
| <b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity   |   |            |            |

\* The Company's Head Office operated in a leased property in the FY 22-23, hence no data was provided for the same.

**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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.



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

- 1. ISO 14001:2015 Certification Achievement:** The Textile, Pipe, and Drum Divisions have successfully attained ISO 14001:2015 certification, demonstrating our commitment to effective environmental management practices and continuous improvement in our sustainability efforts.
- 2. Solar Panel Installation Project:** We have initiated a solar panel installation project within the Pipe Division, which commenced in May 2024. This initiative underscores our dedication to renewable energy sources and reducing our carbon footprint.
- 3. Implementation of LED Lighting:** To conserve electricity and enhance energy efficiency, we have implemented the use of LED lighting across our premises.

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

| Parameter                                       | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| <b>Total Waste generated (in metric tonnes)</b> |            |            |
| Plastic waste (A)                               | 155.56     | 97.97      |
| E-waste (B)                                     | 0.56       | 1.08       |
| Bio-medical waste (C)                           | 0.00       | 0.00       |
| Construction and demolition waste (D)           | 0.00       | 2.500      |
| Battery waste (E)                               | 0.66       | 0.56       |
| Radioactive waste (F)                           | 0.00       | 0.00       |
| <b>Other Hazardous waste.</b>                   |            |            |
| ETP Sludge                                      | 1,085.38   | 1,061.72   |
| HCL Waste Acid                                  | 1,013.82   | 2,078.67   |
| Spent Acid                                      | 429.00     | 323.00     |
| Waste Oil                                       | 2.45       | 3.28       |
| Sludge From Waste water Treatment               | 13.67      | 25.32      |
| MEE Salt  | 493.09     | 773.79     |
| Waste Paint                                     | 1.12       | 6.35       |
| <b>Other Non-hazardous waste generated (H)</b>  |            |            |
| MS Scrap  | 5,648.09   | 5,300.92   |
| Aluminium Scrap                                 | 15.25      | 5.25       |
| Bearing   | 0.00       | 0.55       |
| Copper Scrap                                    | 3.15       | 2.12       |
| Corrugated Boxes                                | 2.57       | 2.11       |
| Grinding Wheel                                  | 0.27       | 0.24       |
| Rubber Scrap                                    | 21.82      | 21.06      |
| S.S. Scrap                                      | 34.28      | 29.22      |
| Electrical Scrap                                | 0.61       | 0.38       |
| Coal Ash  | 2.25       | 3.33       |
| Boiler Ash                                      | 293.36     | 271.17     |
| Paper/Corrugated Boxes                          | 401.83     | 660.59     |
| MS HR Patta Scrap                               | 16.00      | 52.91      |
| M S Scrap                                       | 29.82      | 0.00       |
| MS Hackshaw turning Scrap                       | 43.70      | 54.01      |



| Parameter  | FY 2023-24       | FY 2022-23       |
|--|------------------|------------------|
| Plywood Scrap  | 13.27            | 1.37             |
| MS attached Aluminium Casting scrap  | 0.30             | 0.22             |
| MS scrap   | 10.33            | 0.00             |
| Aluminium Structure scrap  | 0.17             | 0.06             |
| MS Black rejected pipe scrap   | 46.91            | 63.75            |
| Rejected H Frame Scrap   | 13.56            | 0.00             |
| MS turning scrap   | 82.84            | 90.00            |
| Rejected Cross brace GI Pipe scrap   | 1.66             | 0.00             |
| Aluminium punching scrap   | 28.87            | 105.51           |
| Rejected MS cutter scrap   | 0.24             | 0.00             |
| MS Mix fabricated cutting scrap  | 521.29           | 289.16           |
| MS HR rejected slits scrap   | 191.38           | 289.01           |
| MS forging scrap   | 298.82           | 559.64           |
| MS mix scrap   | 53.82            | 70.31            |
| MS beed scrap  | 131.53           | 150.82           |
| MS HR coil side cheera scrap   | 423.64           | 591.82           |
| MS HR hard punching scrap  | 2,473.20         | 3,051.68         |
| Rejected props scrap   | 5.50             | 0.00             |
| Aluminium turning scrap  | 0.00             | 1.99             |
| Rejected aluminium cable PVC attached scrap  | 0.00             | 0.31             |
| Aluminium scrap  | 0.00             | 98.14            |
| MS Scrap   | 29.45            | 58.40            |
| Poly Scraps  | 0.00             | 20.35            |
| Cotton Fabric Chindi   | 102.87           | 129.87           |
| Cotton waste   | 2,821.10         | 2,567.26         |
| Used Oil   | 1.80             | 3.89             |
| <b>Total (A+B + C + D + E + F + G + H)</b>   | <b>17,049.61</b> | <b>19,013.38</b> |
| <b>Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) – MT/Rupees</b>   | <b>0.0000010</b> | <b>0.0000010</b> |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)<br/>(Total waste generated / Revenue from operations adjusted for PPP) - MT/Rupees</b> | <b>0.000023</b>  | <b>0.000023</b>  |
| <b>Waste intensity in terms of physical output – MT/MT</b>   | <b>0.30</b>      | <b>0.34</b>      |
| <b>Waste intensity (optional) - the relevant metric may be selected by the entity</b>  | <b>-</b>         | <b>-</b>         |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>                             |                  |                  |
| <b>Category of waste - Plastic, E-waste and Non-hazardous waste, Battery waste</b>   |                  |                  |
| <b>(i) Recycled</b>  | <b>13,315.73</b> | <b>13,806.67</b> |
| <b>(ii) Re-used</b>  | <b>431.45</b>    | <b>326.28</b>    |
| <b>(iii) Other recovery operations</b>   | <b>293.48</b>    | <b>271.17</b>    |





| Parameter   | FY 2023-24       | FY 2022-23       |
|---|------------------|------------------|
| <b>Total</b>  | <b>14,040.66</b> | <b>14,404.12</b> |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b> |                  |                  |
| <b>Category of waste - Construction and Demolition waste, Hazardous and Non-Hazardous waste</b>                   |                  |                  |
| <b>(i) Incineration (ETP Sludge)</b>  | 13.67            | 25.32            |
| <b>(ii) Landfilling (MEE salt and ETP Sludge)</b>   | 2,593.41         | 3,925.53         |
| <b>(iii) Other disposal operations ( Boiler ash for Bricks manufacturing)</b>                                     | 401.83           | 660.59           |
| <b>Total</b>  | <b>3,008.91</b>  | <b>4,611.44</b>  |

\* Production output has been taken of all the units except Drum for FY 23-24. And, for FY 22-23, production output was considered of every unit except drum and garments, as the quantity of the product was not mentioned.

**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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

- 10. 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**

In accordance with the guidelines outlined in the Environment Protection Act of 1986, the appropriate categorization and handling of specific waste types are meticulously observed. These measures entail the systematic collection, storage, and disposal of waste materials in strict adherence to the pertinent legislative frameworks governing environmental preservation and waste management. This commitment ensures not only compliance with regulatory requirements but also underscores the organization's dedication to responsible environmental stewardship.

- 11. 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)<br>If no, the reasons thereof and corrective action taken, if any. |
|--------|--------------------------------|---------------------|--|
|--------|--------------------------------|---------------------|--|

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

- 12. 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 |
|-----------------------------------|----------------------|------|---|--|-------------------|
|-----------------------------------|----------------------|------|---|--|-------------------|

N/A. In accordance with the Ministry of Environment, Forest & Climate Change (MoEF&CC) guidelines, the industry/ operations are exempt from the requirement to furnish environmental clearance or undergo an Environmental Impact Assessment (EIA).



13. 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:

| Serial Number  | 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 |
|--|---|---------------------------------------|---|---------------------------------|
| Certainly, the Company adheres to all relevant environmental laws and regulations. |   |                                       |   |                                 |

#### Leadership Indicators

1. 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 2023-24   | FY 2022-23 |
|--|--|------------|
| Water withdrawal by source (in kilolitres)                                     |  |            |
| (i) Surface water  | The Company's operations are carried out in regions where water availability is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. |            |
| (ii) Groundwater   |  |            |
| (iii) Third party water  |  |            |
| (iv) Seawater / desalinated water  |  |            |
| (v) Others   |  |            |
| Total volume of water withdrawal (in kilolitres)                               |  |            |
| 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   | The Company's operations are carried out in regions where water availability is not a concern. This deliberate choice of locations is part of our commitment to responsible resource management, ensuring that our operations have minimal impact on water-stressed areas. |            |
| - No treatment   |  |            |
| - With treatment – please specify level of treatment                           |  |            |
| (ii) Into Groundwater  |  |            |
| - No treatment   |  |            |
| - With treatment – please specify level of treatment                           |  |            |
| (iii) Into Seawater  |  |            |
| - No treatment   |  |            |
| - With treatment – please specify level of treatment                           |  |            |



| Parameter  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| <b>(iv) Sent to third-parties</b>                    |            |            |
| - No treatment                                       |            |            |
| - With treatment – please specify level of treatment |            |            |
| <b>(v) Others</b>                                    |            |            |
| - 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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

The Scope 3 calculations are solely based on the data of waste generation, disposal and recovery for the financial year 22-23 and 23-24.

| Parameter  | Unit                                     | FY 2023-24  | FY 2022-23  |
|--|--|-------------|-------------|
| <b>Total Scope 3 emissions</b><br>(Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) - Limited | Metric tonnes of CO2 equivalent          | 880.40      | 993.16      |
| <b>Total Scope 3 emissions per rupee of turnover</b>   | Metric tonnes of CO2 equivalent / Rupees | 0.000000054 | 0.000000054 |
| <b>Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity</b>                   | -  | -           | -           |

**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 hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

**3. With respect to the ecologically sensitive areas reported at Question 11 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.**

The company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

**4. 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      | <p>We have initiated a strategic plan aimed at minimizing the utilization of hazardous and toxic chemicals within our processes. This involves implementing measures to reduce drag out during production and implementing water siphoning techniques. Currently, this strategy is in the process of being implemented across our operations.</p> | <p>The electroplating plant has introduced innovative barrels developed in-house to enhance operational efficiency and efficacy. A total of six of these advanced barrels have been successfully implemented as part of our ongoing commitment to technological advancement and process optimization. These in-house developed barrels are designed to meet the specific needs of our electroplating operations, showcasing our dedication to tailor-made solutions and continuous improvement initiatives within the manufacturing environment.</p>   | <p>Continued efforts are underway to optimize the design of these barrels, with the objective of achieving a significant reduction in drag out by approximately 50%. This ongoing refinement process reflects our commitment to maximizing operational efficiency and minimizing waste within the electroplating plant. By fine-tuning the design parameters, we aim to further enhance the performance of these innovative barrels, contributing to sustainable practices and improved resource utilization across our manufacturing operations.</p>   |
| 2      | <p>Industrial effluent treatment</p>  | <p>The Company has been actively collaborating with a professor from the Indian Institute of Technology (IIT) who has developed Nanocarbon Florets for Industrial Effluent Treatment. Nanomaterials are transforming various sectors including medicine, electronics, and biocompatible materials. Scientists are exploring different forms of nano carbon such as nanotubes, nanocones, nanohorns, graphene, and carbon onions. Recently, researchers from IIT Bombay introduced a novel form known as nano carbon florets, resembling marigold flowers. Beyond their aesthetic appeal, these nano-sized florets offer significant environmental benefits by effectively removing harmful heavy metal pollutants from industrial effluents.</p> | <p>In a recent publication featured in the esteemed journal ACS Applied Nano Materials, Professor C. Subramaniam and his research team from the Department of Chemistry have unveiled ground breaking advancements in nanotechnology. Their innovative design of nanocarbon florets demonstrates remarkable efficacy in eliminating pollutants, including arsenic, chromium, cadmium, and mercury, from industrial effluents. Through rigorous testing, it has been revealed that these nanocarbon florets have the capacity to remove up to 90% of such contaminants from the installed Effluent Treatment Plant (ETP). This significant achievement underscores the transformative potential of nanotechnology in addressing environmental challenges and enhancing wastewater treatment processes.</p> |



| Sr. No | Initiative undertaken                                      | Details of the initiative (Web-link, if any, may be provided along-with summary)   | Outcome of the initiative   |
|--------|--|--|---|
| 3.     | ISO 14001:2015 obtained by Textile, Pipe and Drum division | This certification signifies the company's commitment to implementing effective environmental management practices and minimizing its environmental impact. It demonstrates compliance with international standards and regulations, showcasing the company's dedication to sustainability and responsible environmental stewardship. Achieving ISO 14001:2015 certification reflects the company's proactive approach to environmental management and its ongoing efforts to improve environmental performance. | The outcome of achieving ISO 14001:2015 certification for the Environmental Management System (EMS) underscores the company's dedication to sustainable practices and environmental responsibility. |

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

Indeed, the Company maintains a robust safety policy designed to effectively manage potential incidents arising from both internal operations and external factors. This policy is integral to the Company's Continuity Plan, which furnishes comprehensive guidelines and procedures for stakeholders to navigate various scenarios, thereby minimizing disruptions to operations and safeguarding the Company's brand reputation.

The Risk Policy systematically identifies potential disruptions that could impact operations or disrupt customer supply chains, offering a proactive approach to risk mitigation. To ensure preparedness for emergencies, the Company has developed a documented Emergency Evacuation plan, complemented by the delineation of roles and responsibilities for the Emergency Response team. Regular mock drills, conducted biannually, along with Firefighting training (utilizing the P.A.S.S. method), bolster organizational readiness to effectively handle crisis situations.

Presently, data backup procedures involve manual replication onto an external drive, stored at an off-site location, with backups scheduled on a monthly basis. Additionally, efforts are underway to transition to an automated backup system, currently in the configuration phase, with an anticipated timeline of 15 to 20 days for full implementation. This transition to automated backup mechanisms will further fortify the Company's resilience against potential data loss and operational disruptions.

**6. 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 as no such impact observed.

**7. 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 as no such impact observed.



**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 associated with seven chambers or 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:**

| Sr. 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 |
|---|-------------------------|-----------------------------------|--|---|------------------------|
| The Company engages with its peers through the industry associations and leads on the issues of mutual interests. |                         |                                   |  |   |                        |

**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) | 5 of PAFs covered by R&R | Amounts paid to PAFs in the FY (in INR) |
|----------------|--|-------|----------|---|--------------------------|---|
| Not Applicable |  |       |          |   |                          |   |

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

The company is committed to creating an environment that emphasizes open dialogue and active engagement with the local community. Residents are encouraged to reach out to the Human Resources department and the Factory Head to voice their concerns. By adopting an open-door policy for community matters, the company provides a welcoming space for residents to share their issues, opinions, or grievances related to its operations.

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

|  | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 4.09       | 1.8        |
| Sourced directly from within India           | 100.00     | 100.00     |

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural        | 0.00       | 0.00       |
| Semi-Urban   | 0.00       | 0.00       |
| Urban        | 72.88      | 78.03      |
| Metropolitan | 27.12      | 21.97      |

#### 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)

Although there isn't a specific preferential procurement policy in place, the Company adheres to business practices that allows stakeholders to participate in our sustainable efforts.

- (b) From which marginalized /vulnerable groups do you procure?

As of now, the Company has not implemented a policy for procurement from marginalized or vulnerable groups; however, we strive to ensure that interests of this strata of society is taken care in whichever way possible.



**(c) What percentage of total procurement (by value) does it constitute?**

As of now, the Company has not implemented a policy for procurement from marginalized or vulnerable groups; however, we strive to ensure that interests of this strata of society is taken care in whichever way possible.

**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 in the process of establishing the 'Technocraft Centre for Applied Artificial Intelligence' (TCA2I), a research facility aimed at enhancing collaboration between industry and academia in the field of applied AI. This initiative, in partnership with IIT Mumbai, addresses the increasing need for skilled professionals in artificial intelligence (AI) and data sciences (DS), ultimately benefiting future students. | Not ascertainable  |

**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.**

Customer satisfaction holds the highest priority for the Company. It is dedicated to promptly and transparently addressing all inquiries and concerns. With a dependable monitoring system in operation, the Company effectively manages and resolves consumer complaints or feedback. The Company endeavors to provide comprehensive solutions 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 2023-24               |                                   |         | FY 2022-23               |                                   |         |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the Year | Pending resolution at end of year | Remarks | Received during the Year | Pending resolution at end of year | Remarks |
| Data Privacy                   | Nil                      |                                   |         | Nil                      |                                   |         |
| Advertising                    |                          |                                   |         |                          |                                   |         |
| Cyber-security                 |                          |                                   |         |                          |                                   |         |
| Delivery of essential services |                          |                                   |         |                          |                                   |         |
| Restrictive Trade Practices    |                          |                                   |         |                          |                                   |         |
| Unfair Trade Practices         |                          |                                   |         |                          |                                   |         |
| Other                          |                          |                                   |         |                          |                                   |         |
| Total                          |                          |                                   |         |                          |                                   |         |

**4. Details of instances of product recalls on account of safety issues:**

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | NIL    | NA                 |
| Forced recalls    | NIL    | NA                 |

**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.

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches**

NIL

**b. Percentage of data breaches involving personally identifiable information of customers**

NA

**c. Impact, if any, of the data breaches**

NA

**Leadership Indicators**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information about The Company's products can be found on its website at [www.technocraftgroup.com](http://www.technocraftgroup.com).



**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The majority of the Company's products are sold to B2B customers and feature environmental safety logos as required by law. Additionally, they include information regarding safe disposal or recycling.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company is not classified as an essential service provider, and any shutdown of our operations is communicated to regulatory authorities and consumers in due time and with necessary medium.


**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 complies with the statutory display requirements mandated by applicable laws. Given its presence in the B2B sector, it regularly gathers feedback from distributors.







The initiatives taken by Technocraft confer with many UNSDGs. The alignment of these initiatives with the NGRBC principles & UNSDGs is as follows:<sup>2</sup>

|   |   |
|---|---|
|  | <p><b>SDG 4: QUALITY EDUCATION (P3, P8)</b></p> <ul style="list-style-type: none"> <li>In alignment with Sustainable Development Goal (SDG) 4, which focuses on ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all, the Company has made a significant contribution of ₹90 lakhs to Vivek Vyaspeet, an esteemed organization dedicated to advancing educational initiatives. This donation underscores the Company's commitment to supporting education and empowering communities through learning. The Company is pleased to share that Vivek Vyaspeet has expressed their gratitude by sending a formal thank-you letter, acknowledging the positive impact of the contribution on their ongoing educational programs.</li> <li>Technocraft Industries has also promoted the Technocraft Centre for Applied Artificial Intelligence on the campus of IIT, Mumbai by donating Rs. 15 Crores, to provide a platform for academia and industry sectors to utilize the benefits of AI and machine learning methodologies.</li> </ul> |
|---|---|

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|   |   |
|---|---|
|  | <p><b>SDG 6: CLEAN WATER AND SANITATION (P6)</b></p> <ul style="list-style-type: none"> <li>In alignment with Sustainable Development Goal (SDG) 6, which focuses on ensuring the availability and sustainable management of water and sanitation for all, the Company, through a Trust SSN, has actively implemented significant water conservation and sanitation initiatives. One of the key projects includes participation in the Jalyukt Shivar Abhiyan, a collaborative effort with the Maharashtra government aimed at making the state drought-free by enhancing water conservation and groundwater recharge.</li> <li>Additionally, the Company has undertaken the de-silting of the Kanak Vira River in Murbad, a crucial step to increase water levels and improve the availability of water for local communities. These initiatives demonstrate the Company's commitment to promoting sustainable water management practices and supporting the long-term well-being of the regions it serves.</li> </ul> |
|  | <p><b>SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION (P2, P6, P9)</b></p> <p><b>The Company's manufacturing subsidiaries are ISO-certified.</b></p> <ul style="list-style-type: none"> <li>The Cotton Yarn is IS/ISO 9001:2008 Certificate for Quality Assurance.</li> <li>The Fabric and Garment products hold multiple quality certifications such as TUV AUSTRIA OHSAS 18001:2007 Certificates, TUV AUSTRIA EN ISO 9001:2015 Certificate, TUV AUSTRIA EN ISO 14001:2005, and OEKO-TEX STANDARD 100 Certificate.</li> <li>Welding Standards conform to AWS D.1.1/D.1.M and ISO 3834 and EN 1090-2 AND EN 1090-3 from SLV, Germany.</li> <li>The company also adheres to the Organic Content Standard (OCS) Certificate of Compliance for its products.</li> </ul>   |



|  |  |
|--|--|
|   | <p><b>SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS (P1, P3, P5, P7, P8)</b></p> <p>Technocraft Industries to ensure integrity, transparency, independence, and accountability in dealing with all stakeholders, has adopted various codes and policies to carry out business in an ethical manner. Some of these codes and policies are as follows:</p> <ul style="list-style-type: none"> <li>• Code of Conduct for Directors and management</li> <li>• Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)</li> <li>• Whistle Blower Policy</li> <li>• Code of Conduct for Trading by Designated Person</li> <li>• Corporate Social Responsibility (CSR) Policy</li> <li>• Code of Conduct</li> </ul>   |
|  | <p><b>SDG 17: PARTNERSHIPS FOR THE GOALS (P1, P7, P8)</b></p> <p>The Company is associated with the following trade and industry chambers/ associations:</p> <ul style="list-style-type: none"> <li>• Confederation of Indian Export Organisations</li> <li>• The Council of EU Chamber of Commerce</li> <li>• Confederation of Indian Textile Industry</li> <li>• Steel Drum Association of India</li> <li>• Cotton Association of India</li> <li>• The Cotton Textile Export Promotional Council</li> <li>• Bombay Textile Research Association</li> </ul> <p>The Company's Shanti Seva Nidhi ('the Trust') has signed a Memorandum of Understanding with Tata Motors Limited to deliver quality education to young minds using the best technological equipment and resources.</p> <p>The Trust's Project 1000 is a member of the International Trade Council. As an ITC member, Project 1000 joins a group of leading enterprises and government officials committed to advancing international commerce and, social and economic development.</p> |

**Abbreviations used**

| Sr. No. | Particulars  |
|---------|--|
| 1.      | ESG: Environmental, Social and Governance                |
| 2.      | SDG: Sustainable Development Goals                       |
| 3.      | SASB: Sustainability Accounting Standards Board          |
| 4.      | SEBI: Securities and Exchange Board of India             |
| 5.      | BRSR: Business Responsibility & Sustainability Reporting |





## UNSDGs

| <b>Goal</b>                                      | <b>Goal statement</b>  |
|--|--|
| Goal 1 : No Poverty                              | An aim to eradicate poverty in totality  |
| Goal 2 : Zero Hunger                             | Eliminate starvation and deprivation; set foot towards nutritional health and promote viable   |
| Goal 3 : Good Health & Well Being                | Promotes a better and a healthy lifestyle along with well being  |
| Goal 5 : Gender Equality                         | Ensures no bar with respect to gender and focuses upon women/girl empowerment  |
| Goal 6 : Clean Water & Sanitation                | Validates water availability in all areas along with sanitation and utmost cleanliness   |
| Goal 7 : Affordable & Clean Energy               | Ensure access to affordable, reliable, sustainable and modern energy for all   |
| Goal 8 : Decent Work & Economic Growth           | Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all   |
| Goal 9 : Industry, Innovation and Infrastructure | Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation  |
| Goal 10 : Reduced Inequality                     | Reduce inequality within and among countries   |
| Goal 11 : Sustainable Cities & Communities       | Make cities and human settlements inclusive, safe, resilient and sustainable   |
| Goal 12 : Responsible Consumption & Production   | Ensure sustainable consumption and production patterns   |
| Goal 13 : Climate Action                         | Take urgent action to combat climate change and its impacts  |
| Goal 14 : Life below water                       | Conserve and sustainably use the oceans, seas and marine resources for sustainable development   |
| Goal 15 : Life on land                           | Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss |
| Goal 16 : Peace & Justice Strong Institutions    | Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels            |
| Goal 17 : Partnerships to achieve the Goal       | Strengthen the means of implementation and revitalize the global partnership for sustainable development   |



## 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 2024, 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 IndAS 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 2024, 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 2024. 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><b>1. Assessment of impairment of investment in subsidiaries,(Refer Note 6(a) of the Standalone Ind AS Balance Sheet)</b></p> <p>As at 31st March 2024 the Company balance sheet includes investment in subsidiaries&amp; associates of Rs.24,879.47Lakhs,</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> <ol style="list-style-type: none"> <li>Sales growth rate;</li> <li>Operating margin;</li> <li>Working capital requirements;</li> <li>Capital expenditure; and</li> <li>Discount rate applied to the projected cash flows.</li> </ol> <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> <ol style="list-style-type: none"> <li>We assessed the Company's methodology applied in determining the CGUs to which these assets are allocated.</li> <li>We assessed the assumptions around the key drivers of the cash flow forecasts including discount rates,expected growth rates and terminal growth rates used;</li> <li>We also assessed the recoverable value by performing sensitivity testing of key assumptions used.</li> <li>We tested the arithmetical accuracy of the models</li> <li>Performed analysis of the disclosures related to the impairment tests and their compliance with Indian Accounting Standard (Ind-AS).</li> </ol>               |
| <p><b>3. Revenue Recognition (Refer to the accounting policies in Note 2(iii) to the financial statements)</b></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>  | <ol style="list-style-type: none"> <li>Our audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with IndAS 115 "Revenue from contracts with customers".</li> <li>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.</li> <li>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.</li> </ol> |



| Key Audit Matters | How our audit addressed the key audit matter  |
|-------------------|---|
|                   | 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.<br>e) Assessing and testing the adequacy of presentation and disclosures. |

### **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 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

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 Rule issued thereunder.



- (e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure - B.
- (g) In our opinion, the managerial remuneration for the year ended 31st March 2024 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 2024 as per section 123 of the Company's Act, 2013. Hence, we have nothing to report in this regard.
  - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

**For M. L. Sharma & Co.,  
Firm Reg. No. 109963W  
Chartered Accountants**

**(Vikash L. Bajaj)  
Partner**

**Place of Signature: Mumbai  
Date: 29th May, 2024**

**Membership No. 104982  
UDIN – 24104982BKELTI3219**





## 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 2024, 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, 2024 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   | 23,444.10  | 18,133.02 |
| Balance outstanding as at balance sheet date in respect of above cases |            |           |
| - Subsidiaries   | 57,034.38  | 150.00    |

- (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 not granted loans or advances in the nature of loans which are repayable on demand to companies.
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, 2024 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 2024 which have not been deposited with the appropriate authorities are as under:

(₹ In Lakhs)

| Name of the Statute                 | Nature of dues                   | Amount (In Lakhs) (Rs.) | Forum where dispute is pending                |
|-------------------------------------|----------------------------------|-------------------------|---|
| The Central Excise Act 1944         | <b>Excise Duty &amp; Penalty</b> |                         |   |
|                                     | 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)           |
|                                     | <b>Service Tax &amp; Penalty</b> |                         |   |
|                                     | For F.Y. 2006-07 & F.Y. 2008-09  | 21.97                   | Case pending with CESTAT (Mumbai)             |
|                                     | For period Oct 08 – Dec16        | 165.07                  | Case pending with Joint Commissioner (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     |



| Name of the Statute                    | Nature of dues  | Amount (In Lakhs) (Rs.) | Forum where dispute is pending       |
|--|---|-------------------------|--------------------------------------|
| 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. 2013-14  | 80.52                   | CIT (Appeals)                        |
| Income Tax Act, 1961                   | For A.Y 2014-15   | 1,128.94                | 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)                        |
| Income Tax Act, 1961                   | For A.Y 2022-23   | 163.06                  | 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 will fuldefaulter by any bank or financials 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 whistle blower 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 by the applicable accounting standards.
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. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For M. L. Sharma & Co.,  
Firm Reg. No. 109963W  
Chartered Accountants**

**(Vikash L. Bajaj)  
Partner**

**Place of Signature: Mumbai  
Date: 29th May, 2024**

**Membership No. 104982  
UDIN – 24104982BKELTI3219**



## 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 2024. 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 2024 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 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. L. Sharma & Co.,  
Firm Reg. No. 109963W  
Chartered Accountants**

**Place of Signature: Mumbai  
Date: 29th May, 2024**

**(Vikash L. Bajaj) Partner  
Membership No. 104982  
UDIN – 24104982BKELTI3219**





## Balance Sheet as at 31st March, 2024

| Particulars                        | Note No. | (₹ in lakhs)          |                       |
|------------------------------------|----------|-----------------------|-----------------------|
|                                    |          | As at 31st March 2024 | As at 31st March 2023 |
| <b>ASSETS</b>                      |          |                       |                       |
| <b>Non - Current Assets</b>        |          |                       |                       |
| Property, Plant and Equipment      | 3        | 34,314.79             | 33,559.46             |
| Capital work-in-progress           | 3        | 978.33                | 3,796.97              |
| Investment Properties              | 4        | 725.59                | 762.68                |
| Intangible assets                  | 5        | 483.08                | 85.22                 |
| Financial Assets                   |          |                       |                       |
| Non Current Investments            | 6(a)     | 53,259.75             | 29,519.46             |
| Loans                              | 6 (b )   | 150.00                | 438.74                |
| Others Financial Assets            | 6(c)     | 517.79                | 3,113.68              |
| Other Non-Current Assets           | 7        | 707.83                | 882.07                |
| <b>Total Non - Current Assets</b>  |          | <b>91,137.16</b>      | <b>72,158.28</b>      |
| <b>Current Assets</b>              |          |                       |                       |
| Inventories                        | 8        | 36,167.70             | 36,410.65             |
| Financial Assets                   |          |                       |                       |
| Current Investments                | 6(a)     | 1,145.01              | 629.94                |
| Trade receivables                  | 6(d)     | 50,012.72             | 60,682.07             |
| Cash and cash equivalents          | 6(e)     | 5,904.75              | 12,277.63             |
| Other Bank Balances                | 6(f)     | 3,788.58              | 628.63                |
| Loans                              | 6(b)     | 115.02                | 2,721.03              |
| Others Financial Assets            | 6(c)     | 3,156.69              | 1,787.18              |
| Current Tax Assets (net)           | 9        | 419.62                | -                     |
| Other Current Assets               | 10       | 6,830.19              | 5,998.15              |
| <b>Total Current Assets</b>        |          | <b>107,540.28</b>     | <b>121,135.28</b>     |
| Assets Classified as held for Sale | 11       | 2,735.53              | 308.44                |
| <b>Total Assets</b>                |          | <b>201,412.97</b>     | <b>193,602.00</b>     |
| <b>EQUITY AND LIABILITIES</b>      |          |                       |                       |
| <b>EQUITY</b>                      |          |                       |                       |
| Equity Share Capital               | 12(a)    | 2,296.17              | 2,296.17              |
| Other Equity                       | 12(b)    | 132,413.81            | 115,591.83            |
| <b>Total Equity</b>                |          | <b>134,709.98</b>     | <b>117,888.00</b>     |



## Balance Sheet as at 31st March, 2024

|   |          | (₹ in lakhs)          |                       |
|---|----------|-----------------------|-----------------------|
| Particulars   | Note No. | As at 31st March 2024 | As at 31st March 2023 |
| <b>LIABILITIES</b>  |          |                       |                       |
| <b>Non - Current Liabilities</b>  |          |                       |                       |
| Financial Liabilities   |          |                       |                       |
| Non Current Borrowings  | 13(a)    | -                     | 2,953.38              |
| Other financial liabilities   | 13(b)    | 52.95                 | 23.82                 |
| Provisions  | 14       | 1,999.69              | 2,151.99              |
| Deferred tax liabilities (Net)  | 15       | 849.56                | 450.98                |
| Other Non-Current Liabilities   | 16       | 2,663.62              | 397.00                |
| <b>Total Non - Current Liabilities</b>                                    |          | <b>5,565.82</b>       | <b>5,977.17</b>       |
| <b>Current Liabilities</b>  |          |                       |                       |
| Financial Liabilities   |          |                       |                       |
| Current Borrowings  | 13(a)    | 38,919.86             | 48,929.11             |
| Trade payables  | 13(c)    |                       |                       |
| Total outstanding dues of Micro & Small Enterprises                       |          | 159.58                | 52.10                 |
| Total Outstanding dues of creditors , other than Micro & Small Enterprise |          | 13,217.12             | 15,163.31             |
| Other financial liabilities   | 13(b)    | 3,414.09              | 2,073.53              |
| Provisions  | 14       | 255.47                | 235.81                |
| Current Tax Liabilities (Net)   | 17       | -                     | 525.60                |
| Other Current Liabilities   | 18       | 5,171.05              | 2,757.37              |
| <b>Total Current Liabilities</b>  |          | <b>61,137.17</b>      | <b>69,736.83</b>      |
| <b>Total Equity and Liabilities</b>                                       |          | <b>201,412.97</b>     | <b>193,602.00</b>     |

### 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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**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, 2024

(₹ in lakhs)

| Particulars   | Note No. | Year Ended<br>31st March, 2024 | Year Ended<br>31st March, 2023 |
|---|----------|--------------------------------|--------------------------------|
| <b>Continuing Operations</b>  |          |                                |                                |
| Revenue From Operations   | 19       | 164,281.52                     | 182,509.02                     |
| Other Income and Other Gains/(Losses)   | 20       | 7,377.70                       | 5,139.82                       |
| <b>Total Income</b>   |          | <b>171,659.22</b>              | <b>187,648.84</b>              |
| <b>Expenditure</b>  |          |                                |                                |
| Cost of materials consumed  | 21       | 84,150.68                      | 92,367.66                      |
| Purchases of Stock-in-Trade   |          | 2,273.52                       | 3,580.83                       |
| Changes in inventories of finished goods, Stock - in -Trade and work - in - progress    | 22       | (1,032.59)                     | (239.12)                       |
| Employee benefits expenses  | 23       | 11,504.64                      | 10,626.39                      |
| Finance costs   | 24       | 3,007.40                       | 2,251.96                       |
| Depreciation and amortisation expenses  | 25       | 5,353.45                       | 5,359.51                       |
| Other expenses  | 26       | 43,071.81                      | 48,926.05                      |
| <b>Total expenses</b>   |          | <b>148,328.91</b>              | <b>162,873.28</b>              |
| <b>Profit before tax &amp; Exceptional Items from Continuing Operations</b>             |          | <b>23,330.31</b>               | <b>24,775.56</b>               |
| Exceptional Items   | 27       | 875.58                         | -                              |
| <b>Profit before tax but after Exceptional items from Continuing Operations</b>         |          | <b>22,454.73</b>               | <b>24,775.56</b>               |
| <b>Tax expense of Continuing Operations</b>   | 28       |                                |                                |
| (1) Current tax   |          | 5,111.00                       | 6,828.59                       |
| (2) Deferred tax  |          | 431.49                         | (544.90)                       |
| (3) Tax Adjustment of Earlier Years   |          | (7.58)                         | (151.72)                       |
| <b>Total tax expenses</b>   |          | <b>5,534.91</b>                | <b>6,131.97</b>                |
| <b>Profit after tax from Continuing Operations</b>                                      |          | <b>16,919.82</b>               | <b>18,643.59</b>               |
| <b>Discontinued Operations</b>  |          |                                |                                |
| Profit / (Loss) before tax from discontinued operations                                 | 29       | (68.64)                        | 500.00                         |
| Tax Expense / (Income) of discontinued operations                                       |          | (17.28)                        | 125.84                         |
| <b>Profit / (Loss) after tax from discontinued operations</b>                           |          | <b>(51.36)</b>                 | <b>374.16</b>                  |
| <b>Profit for the year after tax from Continuing &amp; Discontinued Operations</b>      |          | <b>16,868.46</b>               | <b>19,017.75</b>               |
| <b>Other Comprehensive Income</b>   |          |                                |                                |
| <b>Items that will not be reclassified to profit or loss</b>                            |          |                                |                                |
| Remeasurement of net defined benefit Plans (net of tax)                                 |          | (46.48)                        | 19.91                          |
| Items that will be reclassified to profit or loss                                       |          | -                              | -                              |
| <b>Other Comprehensive Income / (Loss) for the Year (Net of tax)</b>                    |          | <b>(46.48)</b>                 | <b>19.91</b>                   |
| <b>Total Comprehensive Income for the year after tax</b>                                |          | <b>16,821.98</b>               | <b>19,037.66</b>               |
| <b>Earnings per equity share of Face Value of ₹ 10/- each</b>                           |          |                                |                                |
| Basic & Diluted Earnings per Share -Continuing Operations                               | 30       | 73.68                          | 77.47                          |
| Basic & Diluted Earnings per Share -Discontinued Operations                             |          | (0.22)                         | 1.55                           |
| <b>Basic &amp; Diluted Earnings per Share -Continuing &amp; Discontinued Operations</b> |          | <b>73.46</b>                   | <b>79.02</b>                   |

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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**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, 2024

(₹ in lakhs)

| Particulars   | Year Ended<br>31st March, 2024 | Year Ended<br>31st March, 2023 |
|---|--------------------------------|--------------------------------|
| <b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :</b>   |                                |                                |
| Profit / (Loss) after exceptional items but before tax from Continuing operations                                       | 22,454.73                      | 24,775.56                      |
| Profit / (Loss) after exceptional items but before tax from Discontinued Operations                                     | (68.64)                        | 500.00                         |
| <b>Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities</b>               |                                |                                |
| Depreciation & Amortisation Expenses  | 5,353.45                       | 5,359.51                       |
| Government Grant Income   | (1,252.00)                     | (233.70)                       |
| Provision / (Reversal) of Impairment Loss on Plant & Equipment  | 68.64                          | (500.00)                       |
| Loss on Sale of Property, Plant and Equipment   | 20.36                          | -                              |
| (Gain) on Sale of Property, Plant and Equipment   | (157.08)                       | (124.61)                       |
| Share of Loss of LLP  | 0.41                           | 0.02                           |
| Unrealised Forex Loss / (gain)  | (359.46)                       | (998.81)                       |
| Interest income   | (1,171.73)                     | (515.87)                       |
| Interest Expenses   | 2,745.80                       | 2,006.86                       |
| Rental Income   | (274.92)                       | (123.84)                       |
| Net gain on sale/fair valuation of Investments through profit & loss  | (2,538.85)                     | (1,590.25)                     |
|   | <b>24,820.71</b>               | <b>28,554.87</b>               |
| <b>Working capital adjustments</b>  |                                |                                |
| (Increase)/ Decrease in Inventories   | 242.95                         | (4,733.68)                     |
| (Increase)/ Decrease in Trade Receivables   | 11,018.08                      | (10,404.91)                    |
| (Increase)/ Decrease in Other Receivables   | (2,029.43)                     | (268.94)                       |
| Increase/ (Decrease) in Trade and Other Payables  | 496.61                         | 1,439.57                       |
|   | <b>34,548.92</b>               | <b>14,586.91</b>               |
| Income Tax paid   | (6,065.24)                     | (7,046.54)                     |
| <b>Net Cash Inflow/(Outflow) in the course of Operating Activities (A)</b>  | <b>28,483.68</b>               | <b>7,540.37</b>                |
| <b>Net Operating Cash inflow / (Outflow) from Continuing Operations</b>   | <b>28,364.89</b>               | <b>7,525.39</b>                |
| <b>Net Operating Cash inflow / (Outflow) from Discontinued Operations</b>   | <b>118.79</b>                  | <b>14.98</b>                   |
| <b>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :</b>   |                                |                                |
| Purchase of Property, Plant and Equipment /Investment Properties / Intangible assets including capital work in Progress | (6,530.22)                     | (8,395.72)                     |
| Receipt of Capital Subsidy against Property , Plant and Equipment   | 4,254.45                       | -                              |
| Sale Proceeds of property, plant and equipment  | 520.29                         | 846.33                         |
| Purchase of Investments (other than Investement in Subsidiary)  | (7,105.60)                     | (25,450.00)                    |
| Subscription in shares of Subsidiaries / Associates   | (21,028.11)                    | (949.00)                       |
| Proceeds from sale of Investments (Other than Subsidiaries)   | 6,416.71                       | 36,828.09                      |
| Interest received   | 1,043.14                       | 656.57                         |
| Refund/ (Investment) in bank deposits having Original Maturity of more than than 3 months                               | 105.20                         | (502.72)                       |
| Rent Received   | 274.78                         | 122.51                         |



## Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in lakhs)

| Particulars   | Year Ended<br>31st March, 2024 | Year Ended<br>31st March, 2023 |
|---|--------------------------------|--------------------------------|
| Recovery/ (Advancement) of loans given to Subsidiaries  | 2,897.77                       | 1,346.54                       |
| <b>Net Cash Inflow/(Outflow) in the course of Investing Activities (B)</b>                          | <b>(19,151.59)</b>             | <b>4,502.60</b>                |
| <b>Net Cash Inflow/(Outflow) in the course of Investing Activities from Continuing Operations</b>   | <b>(19,386.24)</b>             | <b>3,805.49</b>                |
| <b>Net Cash Inflow/(Outflow) in the course of Investing Activities from Discontinued Operations</b> | <b>234.65</b>                  | <b>697.11</b>                  |
| <b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES :</b>   |                                |                                |
| Net Proceeds ( Repayment) of Long Term & Short term Borrowings                                      | (12,980.60)                    | 15,296.23                      |
| Interest charges paid   | (2,724.37)                     | (1,988.98)                     |
| Buyback of Equity Shares  | -                              | (15,000.00)                    |
| Tax on Buyback of Equity Shares   | -                              | (3,360.94)                     |
| <b>Net Cash Inflow/(Outflow) in the course of Financing Activities (C)</b>                          | <b>(15,704.97)</b>             | <b>(5,053.69)</b>              |
| <b>Net Cash Inflow/(Outflow) in the course of Financing Activities from Continuing Operations</b>   | <b>(15,351.02)</b>             | <b>(4,342.04)</b>              |
| <b>Net Cash Inflow/(Outflow) in the course of Financing Activities from Discontinued Operations</b> | <b>(353.95)</b>                | <b>(711.65)</b>                |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                               | <b>(6,372.88)</b>              | <b>6,989.28</b>                |
| Cash and cash equivalents at the beginning of the year  | 12,277.63                      | 5,288.35                       |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>5,904.75</b>                | <b>12,277.63</b>               |

### 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<br>31-Mar-2024 | As at<br>31-Mar-2023 |
|---|----------------------|----------------------|
| Balances with Banks - In current accounts               | 5,881.77             | 12,250.54            |
| Cash on Hand  | 22.98                | 27.09                |
| <b>Cash and cash equivalents at the end of the year</b> | <b>5,904.75</b>      | <b>12,277.63</b>     |

### 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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**Neeraj Rai**  
Company Secretary

**Navneet Kumar Saraf**  
Whole-time Director & CEO  
DIN 00035686

**Ashish Kumar Saraf**  
Whole-time Director & CFO  
DIN 00035549



## Standalone Statement of Changes in Equity for the year ended 31st March, 2024

(₹ in lakhs)

| EQUITY SHARE CAPITAL :   | Balance as at 1st April ,2022 | Changes in equity share capital during the year | Balance as at 31st March ,2023 | Changes in equity share capital during the year | Balance as at 31st March ,2024 |
|--|-------------------------------|---|--------------------------------|---|--------------------------------|
| Paid up Capital (Refer Note 11(a)) (Equity Shares of ₹ 10/- each issued, Subscribed & Fully Paid up) | 2,446.17                      | 150.00  | 2,296.17                       | -   | 2,296.17                       |

| OTHER EQUITY :  | Reserves and Surplus |                            |                  |                   |  |                   |
|---|----------------------|----------------------------|------------------|-------------------|--|-------------------|
| Particulars   | Capital Reserve      | Capital Redemption Reserve | General Reserve  | Retained Earnings | Other Comprehensive Income (Retained Earnings) | Total             |
| <b>Balance as at 1st April, 2022</b>  | <b>20.51</b>         | <b>706.51</b>              | <b>12,157.44</b> | <b>102,380.94</b> | <b>(500.29)</b>                                | <b>114,765.11</b> |
| 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         | -  | 14,850.00         |
| Tax on Buyback of Equity Shares   | -                    | -                          | -                | 3,360.94          | -  | 3,360.94          |
| <b>Balance as at 31st March, 2023</b>   | <b>20.51</b>         | <b>856.51</b>              | <b>12,007.44</b> | <b>103,187.75</b> | <b>(480.38)</b>                                | <b>115,591.83</b> |
| Profit for the year after tax   | -                    | -                          | -                | 16,868.46         | -  | 16,868.46         |
| Other Comprehensive Income : Remeasurements of net defined benefit plans (Net of tax) | -                    | -                          | -                | -                 | (46.48)  | (46.48)           |
| <b>Balance as at 31st March, 2024</b>   | <b>20.51</b>         | <b>856.51</b>              | <b>12,007.44</b> | <b>120,056.21</b> | <b>(526.86)</b>                                | <b>132,413.81</b> |

*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

**(Vikash L Bajaj ) Partner**

M.No :104982

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

**Dr. Sharad Kumar Saraf**

Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**

Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai

**Date :** 29th May, 2024

**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, 2024

### Note-1 Corporate Information

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 2024

### Note-2 Material Accounting Policies:

#### i) Basis of Preparation

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, 2024

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.

### **v) Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

### 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
- b) Is part of a single co –ordinated plan to dispose of a separate major line of business or geographical area of operations



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

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 remaining 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.

### **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



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

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.

#### 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.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

### (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
- 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





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

- 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.

## 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.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

### 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.

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.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

### ➤ **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

### **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.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

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 Company applied for the First time the amendments to Ind AS 8, Ind AS 1 and Ind AS 12 and there is no material impact on the Financials.

Ministry of Corporate Affairs notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Amendment Rules as issued from time to time .For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

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) Critical estimates and Judgements**

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, 2024

### 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 |
|---|----------------|---------------|------------------|----------------------------------|---------------------|-------------------|---------------|----------------------|------------------|--------------------------|
| <b>Year Ended 31st March, 2024</b>                                    |                |               |                  |                                  |                     |                   |               |                      |                  |                          |
| <b>Gross Carrying Amount</b>  |                |               |                  |                                  |                     |                   |               |                      |                  |                          |
| Opening 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                 |
| Additions   | -              | -             | 5,044.89         | 58.51                            | 3,479.50            | 59.90             | 201.60        | 13.34                | 8,857.74         | 3,811.97                 |
| Disposals   | -              | -             | 0.54             | -                                | 279.89              | -                 | 2.05          | 29.75                | 312.23           | -                        |
| Transfers   | -              | -             | -                | -                                | -                   | -                 | -             | -                    | -                | 6,630.61                 |
| Transfer to Assets Classified as Held for Sale (Refer Note No 11)     | -              | -             | -                | -                                | 5,242.65            | -                 | -             | -                    | 5,242.65         | -                        |
| Transfer from Assets Classified as held for Sale ( Refer Note No 11)  | -              | -             | -                | -                                | -                   | -                 | -             | 3.17                 | 3.17             | -                        |
| <b>Closing Gross Carrying Amount</b>                                  | <b>657.79</b>  | <b>523.82</b> | <b>21,375.56</b> | <b>440.99</b>                    | <b>39,174.01</b>    | <b>508.59</b>     | <b>813.29</b> | <b>512.91</b>        | <b>64,006.96</b> | <b>978.33</b>            |
| <b>Accumulated Depreciation</b>                                       |                |               |                  |                                  |                     |                   |               |                      |                  |                          |
| Opening Accumulated Depreciation                                      | 56.71          | -             | 4,246.89         | 185.21                           | 21,692.27           | 279.16            | 462.58        | 218.65               | 27,141.47        | -                        |
| Depreciation charge during the year-Continuing Operations             | 8.52           | -             | 1,099.87         | 50.95                            | 3,744.69            | 84.41             | 139.82        | 94.85                | 5,223.11         | -                        |
| Disposals   | -              | -             | -                | -                                | 134.65              | -                 | -             | 28.26                | 162.91           | -                        |
| Transfer to Assets Classified as Held for Sale (Refer Note No 11)     | -              | -             | -                | -                                | 2,512.27            | -                 | -             | -                    | 2,512.27         | -                        |
| Transfers from Assets Classified as held for Sale (Refer Note No 11)  | -              | -             | -                | -                                | -                   | -                 | -             | 2.77                 | 2.77             | -                        |
| <b>Closing Accumulated Depreciation</b>                               | <b>65.23</b>   | <b>-</b>      | <b>5,346.76</b>  | <b>236.16</b>                    | <b>22,790.04</b>    | <b>363.57</b>     | <b>602.40</b> | <b>288.01</b>        | <b>29,692.17</b> | <b>-</b>                 |
| <b>Net Carrying Amount</b>  | <b>592.56</b>  | <b>523.82</b> | <b>16,028.80</b> | <b>204.83</b>                    | <b>16,383.97</b>    | <b>145.02</b>     | <b>210.89</b> | <b>224.90</b>        | <b>34,314.79</b> | <b>978.33</b>            |
| <b>Year Ended 31st March, 2023</b>                                    |                |               |                  |                                  |                     |                   |               |                      |                  |                          |
| <b>Gross Carrying Amount</b>  |                |               |                  |                                  |                     |                   |               |                      |                  |                          |
| 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   | -              | -             | -                | -                                | -                   | -                 | -             | -                    | -                | 4,116.48                 |
| Transfers from Assets Classified as held for Sale ( Refer Note No 11) | -              | -             | -                | -                                | -                   | -                 | -             | -                    | -                | -                        |
| <b>Closing Gross Carrying Amount</b>                                  | <b>657.79</b>  | <b>523.82</b> | <b>16,331.21</b> | <b>382.48</b>                    | <b>41,217.05</b>    | <b>448.69</b>     | <b>613.74</b> | <b>526.15</b>        | <b>60,700.93</b> | <b>3,796.97</b>          |
| <b>Accumulated Depreciation</b>                                       |                |               |                  |                                  |                     |                   |               |                      |                  |                          |
| 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 11) | -              | -             | -                | -                                | -                   | -                 | -             | -                    | -                | -                        |
| <b>Closing Accumulated Depreciation</b>                               | <b>56.71</b>   | <b>-</b>      | <b>4,246.89</b>  | <b>185.21</b>                    | <b>21,692.27</b>    | <b>279.16</b>     | <b>462.58</b> | <b>218.65</b>        | <b>27,141.47</b> | <b>-</b>                 |
| <b>Net Carrying Amount</b>  | <b>601.08</b>  | <b>523.82</b> | <b>12,084.32</b> | <b>197.27</b>                    | <b>19,524.78</b>    | <b>169.53</b>     | <b>151.16</b> | <b>307.50</b>        | <b>33,559.46</b> | <b>3,796.97</b>          |

#### Notes

- All Property, Plant and equipment are Held in the name of the Company
- Refer to Note No 32 for Information on Property, Plant & Equipment Pledged as Security by the Company
- Capital Work in Progress**  
Capital Work in Progress is towards expansion of Various Business Units of the Company
- Previous Period Figures have been re-classified / re-arranged where ever Consider necessary to make them Comparable with Current year classification
- 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, 2024

(₹ 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 |                |
| <b>As at 31st March 2024</b>  |                                |               |           |                   |                |
| Project in Progress           | 641.15                         | 337.18        | -         | -                 | 978.33         |
| Project temporarily suspended | -                              | -             | -         | -                 | -              |
| <b>Total</b>                  | <b>641.15</b>                  | <b>337.18</b> | <b>-</b>  | <b>-</b>          | <b>978.33</b>  |
| <b>As at 31st March 2023</b>  |                                |               |           |                   |                |
| Project in Progress           | 3,674.28                       | 122.69        | -         | -                 | 3796.97        |
| Project temporarily suspended | -                              | -             | -         | -                 | -              |
| <b>Total</b>                  | <b>3,674.28</b>                | <b>122.69</b> | <b>-</b>  | <b>-</b>          | <b>3796.97</b> |

### Note 4 : Investment Properties

| Particulars                             | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| <b>Gross Carrying Amount</b>            |                       |                       |
| Opening Gross Carrying Amount           | 1,025.59              | 1,028.61              |
| Additions during the year               | -                     | -                     |
| Disposals                               | -                     | 3.02                  |
| <b>Closing Gross Carrying Amount</b>    | <b>1,025.59</b>       | <b>1,025.59</b>       |
| <b>Accumulated Depreciation</b>         |                       |                       |
| Opening Accumulated Depreciation        | 262.91                | 223.77                |
| Depreciation Charge for the year        | 37.09                 | 39.14                 |
| <b>Disposals</b>                        | <b>-</b>              | <b>-</b>              |
| <b>Closing Accumulated Depreciation</b> | <b>300.00</b>         | <b>262.91</b>         |
| <b>Net Carrying Amount</b>              | <b>725.59</b>         | <b>762.68</b>         |

#### i) Amount recognised in profit and loss for investment properties

| Particulars   | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Rental Income   | 138.37                | 74.13                 |
| Direct Operating expenses from property that generated rental income        | 14.94                 | 14.17                 |
| Direct Operating expenses from property that did not generate rental income | -                     | -                     |
| <b>Profit from Investment Properties before Depreciation</b>                | <b>123.43</b>         | <b>59.96</b>          |
| Depreciation  | 37.09                 | 39.14                 |
| <b>Profit from Investment Properties</b>                                    | <b>86.34</b>          | <b>20.82</b>          |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### ii) Fair Value

| Particulars           | As at<br>31st March 2024 | As at<br>31st March 2023 |
|-----------------------|--------------------------|--------------------------|
| Investment Properties | 2,372.32                 | 2,339.17                 |

#### 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 balancesheet date are as under (for non cancellable Lease Period only)

| Particulars                                    | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Within one year                                | 85.85                    | 50.34                    |
| Later than one year but not later than 5 years | 53.54                    | 19.64                    |
| Later than 5 years                             | -                        | -                        |

### Note 5 : Intangible assets

| Particulars  | Non<br>Competition<br>fees | Trade Mark   | Computer<br>Software * | Total         |
|--|----------------------------|--------------|------------------------|---------------|
| <b>Year Ended 31st March, 2024</b>                     |                            |              |                        |               |
| <b>Gross Carrying Amount</b>                           |                            |              |                        |               |
| Opening Gross Carrying Amount                          | -                          | -            | 452.51                 | 452.51        |
| Additions during the year                              | 400.80                     | 15.03        | 75.28                  | 491.11        |
| <b>Closing Gross Carrying Amount</b>                   | <b>400.80</b>              | <b>15.03</b> | <b>527.79</b>          | <b>943.62</b> |
| Accumulated Amortisation                               |                            |              |                        |               |
| Opening Accumulated Amortisation                       | -                          | -            | 367.29                 | 367.29        |
| Amortisation charge for the year                       | 13.18                      | 0.49         | 79.58                  | 93.25         |
| <b>Closing Accumulated Amortisation</b>                | <b>13.18</b>               | <b>0.49</b>  | <b>446.87</b>          | <b>460.54</b> |
| <b>Closing Net Carrying Amount</b>                     | <b>387.62</b>              | <b>14.54</b> | <b>80.92</b>           | <b>483.08</b> |
| <b>Year Ended 31st March , 2023</b>                    |                            |              |                        |               |
| <b>Gross Carrying Amount</b>                           |                            |              |                        |               |
| Opening Gross Carrying Amount                          | -                          | -            | 359.98                 | 359.98        |
| Additions during the year                              | -                          | -            | 92.53                  | 92.53         |
| <b>Closing Gross Carrying Amount</b>                   | <b>-</b>                   | <b>-</b>     | <b>452.51</b>          | <b>452.51</b> |
| Accumulated Amortisation and Impairment                |                            |              |                        |               |
| Opening Accumulated Amortisation                       | -                          | -            | 312.78                 | 312.78        |
| Amortisation Charge for the year                       | -                          | -            | 54.51                  | 54.51         |
| <b>Closing Accumulated Amortisation and Impairment</b> | <b>-</b>                   | <b>-</b>     | <b>367.29</b>          | <b>367.29</b> |
| <b>Closing Net Carrying Amount</b>                     | <b>-</b>                   | <b>-</b>     | <b>85.22</b>           | <b>85.22</b>  |

\* 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, 2024

(₹ in Lakhs)

### Note - 6 : Financial Assets

#### Note 6(a) : Non Current Investments

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Investment in Equity Instruments</b>   |                          |                          |
| <b>Investment In Equity Instrument of Subsidiaries &amp; Joint Venture (At Cost)</b>  |                          |                          |
| <b>Unquoted, Fully Paid Up</b>  |                          |                          |
| 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                     |
| 550,000 (P.Y 250,000 ) Shares of ₹ 10/- each of Technocraft Fashions Limited  | 2,035.00                 | 25.00                    |
| 95,00,000 (P.Y 95,00,000) Shares of ₹ 10/- each of Technocraft Textiles Limited   | 950.00                   | 950.00                   |
| 10,000 (P.Y 10,000 ) Shares of ₹ 10/- each of Technocraft Formworks Private Limited (formerly known as Technomatic Packaging Private Limited)   | 1.00                     | 1.00                     |
| 10,000 (P.Y 10,000 ) Shares of ₹ 10/- each of Technocraft Speciality Yarns Ltd  | 1.00                     | 1.00                     |
| 10,000 (P.Y NIL) Shares of ₹ 10/- each of Technocraft Extrusions Private Limited  | 1.00                     | -                        |
| 59,875 (P.Y NIL) Shares of ₹ 100/- each of BMS Industries Private Limited   | 7,014.60                 | -                        |
| <b>Unquoted, Partly Paid Up</b>   |                          |                          |
| 1800 (P.Y NIL) Shares of ₹ 10/- each of Technocraft Extrusions Private Limited. ( Out of the Face Value of ₹ 10/- ; ₹ 1.70 has been called up by the Subsidiary Company till 31-3-2024 & the same has been paid up.)  | 424.98                   | -                        |
| 5,500 (P.Y NIL) Shares of ₹ 10/- each of Technocraft Form Work Private Limited. (Formerly known as Technomatic Packaging Private Limited) (Out of the Face Value of ₹ 10/- ; ₹ 6.80 has been called up by the Subsidiary Company till 31-3-2024 & the same has been paid up.) | 6,069.53                 | -                        |
| <b>Investment In Redeemable Preference Shares of Subsidiaries (At Cost)</b>   |                          |                          |
| <b>Unquoted , Fully paid Up</b>   |                          |                          |
| 7,50,000 ( P.Y 7,50,000 ) 7% Non Cumulative Redeemable Preference Shares of ₹ 10/- each of Technocraft Fashions Limited   | 75.00                    | 75.00                    |
| 13,20,000 ( P.Y NIL ) 7% Non Cumulative Redeemable Preference Shares of ₹ 10/- each of Technocraft Speciality Yarns Limited   | 132.00                   | -                        |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Investment in Optionally Convertible Preference Shares of Subsidiary (At Cost)</b>   |                          |                          |
| <b>Unquoted , Fully paid Up</b>   |                          |                          |
| 13,20,000 ( P.Y NIL ) 0.01% Non Cumulative Optionally Convertible Preference Shares of ₹ 10/- each of Technocraft Textile Limited | 5,376.00                 | -                        |
|   | <b>24,879.47</b>         | <b>3,851.36</b>          |
| <b>Investment In Equity Instrument of Co-operative Societies (At Fair Value through Profit &amp; Loss)</b>                        |                          |                          |
| <b>Unquoted</b>   |                          |                          |
| 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                     |
|   | <b>0.03</b>              | <b>0.03</b>              |
| <b>Total (Equity Instruments &amp; Preference Shares)</b>   | <b>24,879.50</b>         | <b>3,851.39</b>          |
| <b>Investment In Mutual Funds ( At Fair value through Profit and loss)</b>  |                          |                          |
| <b>Unquoted</b>   |                          |                          |
| 39,62,030.812 ( P.Y 1,96,25,652.993) Units of ₹ 10/- each of HDFC Corporate Bond Fund   | 1,162.25                 | 5,334.25                 |
| 39,218.927 (P.Y 39,218.927 ) Units of ₹ 10/- each of SBI Banking & PSU Fund   | 1,107.74                 | 1,034.64                 |
| 1,49,99,250.037 (P.Y 1,49,99,250.037 ) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1857 Days                                  | 1,768.86                 | 1,647.94                 |
| 48,73,541.922 (P.Y.48,73,541.922 ) Units of ₹ 10/- each of HDFC Medium Term Debt Fund #   | 2,481.92                 | 2,309.26                 |
| 24,10,060.072 (P.Y 17,47,797.669 ) Units of ₹ 10/- each of Kotak Balanced Advantage Fund Regular Growth                           | 430.92                   | 261.70                   |
| 37,66,103.008 (P.Y NIL ) Units of ₹ 10/- each of Kotak Balanced Advantage Fund Direct Growth                                      | 720.04                   | -                        |
| 90,07,522.820 (P.Y 90,07,522.820 ) Units of ₹ 10/- each of Kotak Medium Term Fund   | 1,843.62                 | 1,706.16                 |
| 1,49,99,250.037 (P.Y. 1,49,99,250.037 ) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1855 Days                                 | 1,741.85                 | 1,623.20                 |
| 96,77,600.725 (P.Y 96,77,600.725) Units of ₹ 10/- each of SBI Balanced Advantage Fund   | 1,358.37                 | 1,066.10                 |
| 2,39,98,800.060 (P.Y 2,39,98,800.060) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1850 Days                                   | 2,782.68                 | 2,595.16                 |
| 2,99,86,502.093 ( P.Y 2,99,86,502.093) Units of ₹ 10/- each of Kotak Nifty SDL April 2027 Index Fund                              | 3,329.96                 | 3,108.93                 |
| 2,47,73,352.887 (P.Y 2,47,73,352.887) Units of ₹ 10/- each of SBI Crisil IBX SDL Index -Sept 2027 Fund                            | 2,754.18                 | 2,572.27                 |
| 47,69,980.072 (P.Y 47,69,980.072) Units of ₹ 10/- each of SBI Crisil IBX GILT INDEX -June 2036 Fund                               | 546.21                   | 499.21                   |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| 55,86,772.583 (P.Y NIL) Units of ₹10/- each of Kotak Equity Saving Fund  | 1,419.34                 | -                        |
| 9,24,927.299 (P.Y NIL) Units of ₹ 10/- each of SBI Multi Asset allocation Fund   | 506.61                   | -                        |
| 95,72,932.809 (P.Y NIL) Units of ₹ 10/- each of Edelweiss Multi Asset Allocation Fund  | 1,012.56                 | -                        |
| 1,50,303.698 (P.Y NIL) Units of ₹ 10/- each of ICICI Prudential Multi Asset Fund   | 1,040.31                 | -                        |
| NIL (P.Y.17,68,899.429 ) Units of ₹ 10/- each of SBI International Access -US Equity FoF   | -                        | 199.15                   |
| NIL (P.Y 1,30,86,264.657 ) Units of ₹ 10/- each of SBI Corporate Bond Fund   | -                        | 1,709.60                 |
| <b>Total Mutual Funds</b>  | <b>26,007.42</b>         | <b>25,667.57</b>         |
| <b>Investment in Portfolio Management Schemes (At Fair Value through Profit and Loss)</b>  |                          |                          |
| <b>Un Quoted</b>   |                          |                          |
| Dezerv Equity Revival Startegy   | 2,372.82                 | -                        |
| <b>Total (Portfolio Management Scheme)</b>   | <b>2,372.82</b>          | <b>-</b>                 |
| <b>Investment In LLP ( At cost )</b>   |                          |                          |
| <b>Capital Account in Benten Technologies LLP</b>  |                          |                          |
| Partners 1) Technocraft Industries India Limited & 2) Mr Sanjeev Sinha (retired w.e.f 1-9-2023) and 3) Mr Ashish Kumar Saraf (admitted w.e.f 1-9-2023) | 0.01                     | 0.50                     |
| Total Fixed Capital of the Firm is ₹ 0.01 Lakh<br>( % of Share in Profit / Loss is 100% w.e.f 1-9-2023. Till 31-8-2023 it was 50%)                     |                          |                          |
| <b>Total Investment In Partnership Firm/LLP</b>  | <b>0.01</b>              | <b>0.50</b>              |
| <b>Total Non - Current Investments</b>   | <b>53,259.75</b>         | <b>29,519.46</b>         |
| <b>Aggregate Amount of Unquoted Investments</b>  | <b>53,259.75</b>         | <b>29,519.46</b>         |

# Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Non Current Investments Lien as on 31st March 2024 is ₹ 2,481.92 Lakhs ( P.Y ₹ 2,309.26 Lakhs ).Also Refer Note No 32 for details of Investments Pledged as Security .

### Note 6(a) : Current Investments

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| <b>Investment In Mutual Funds ( At Fair value through Profit and loss)</b>                   |                          |                          |
| <b>Unquoted</b>  |                          |                          |
| 10,42,505.059 (P.Y 10,42,505.059 ) units of ₹ 10/- each of HDFC Equity Saving Fund -Growth # | 623.30                   | 525.12                   |
| 5,78,254.083 (P.Y NIL ) units of ₹ 10/- each of HDFC Equity Saving Fund -DG                  | 382.21                   | -                        |
| <b>Total (Mutual Funds)</b>  | <b>1,005.51</b>          | <b>525.12</b>            |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | As at           |                 |
|---|-----------------|-----------------|
|   | 31st March 2024 | 31st March 2023 |
| <b>Investment in Equity Instruments</b>                                     |                 |                 |
| <b>Investment In Equity Shares ( At Fair value through Profit and loss)</b> |                 |                 |
| <b>Quoted</b>   |                 |                 |
| 3,080 (P.Y 3,080 ) Shares of ₹ 10/- each of Avenue Supermarkets Limited     | 139.50          | 104.82          |
| <b>Total (Equity Instruments)</b>   | <b>139.50</b>   | <b>104.82</b>   |
| <b>Total Current Investments</b>  | <b>1,145.01</b> | <b>629.94</b>   |
| Aggregate Amount of Unquoted Investments                                    | 1,005.51        | 525.12          |
| Aggregate Amount of Quoted Investments                                      | 139.50          | 104.82          |
| Aggregate Market Value of Quoted Investments                                | 139.50          | 104.82          |

# Lien with the Bank against LC Limit of Technocraft Textiles Limited. Total Current Investments Lien as on 31st March 2024 is ₹ 623.30 Lakhs ( P.Y ₹ 525.12 Lakhs ).Also Refer Note No 32 for details of Investments Pledged as Security.

### Note 6(b) : Loans

| Particulars                             | As at 31st March, 2024 |               | As at 31st March, 2023 |               |
|---|------------------------|---------------|------------------------|---------------|
|   | Current                | Non Current   | Current                | Non Current   |
| Loans to Subsidiaries (Related Parties) | -                      | 150.00        | 2,609.03               | 438.74        |
| Loans to Employees                      | 115.02                 | -             | 112.00                 | -             |
| <b>Total Loans</b>                      | <b>115.02</b>          | <b>150.00</b> | <b>2,721.03</b>        | <b>438.74</b> |

| Break up   | As at 31st March, 2024 |               | As at 31st March, 2023 |               |
|--|------------------------|---------------|------------------------|---------------|
|  | Current                | Non Current   | Current                | Non Current   |
| Loan Considered good-Secured                         | -                      | -             | -                      | -             |
| Loan Considered good-Unsecured                       | 115.02                 | 150.00        | 2,721.03               | 438.74        |
| Loans which have significant increase in credit risk | -                      | -             | -                      | -             |
| Loans -credit impaired                               | -                      | -             | -                      | -             |
| <b>Total</b>   | <b>115.02</b>          | <b>150.00</b> | <b>2,721.03</b>        | <b>438.74</b> |
| Less Allowance for Doubtful Loans                    | -                      | -             | -                      | -             |
| <b>Total Loans</b>                                   | <b>115.02</b>          | <b>150.00</b> | <b>2,721.03</b>        | <b>438.74</b> |

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 to 100% Subsidiaries are as Under

| Name of the Party                 | Balance as on    |                  | Maximum Balance  |                  |
|-----------------------------------|------------------|------------------|------------------|------------------|
|                                   | 31st March, 2024 | 31st March, 2023 | 31st March, 2024 | 31st March, 2023 |
| Technocraft NZ Limited            | -                | 539.57           | 539.57           | 539.57           |
| Technocraft International Limited | -                | 805.67           | 805.67           | 2,163.88         |
| Technocraft Fashions Limited      | -                | 1,263.79         | 1,273.05         | 1,263.79         |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Name of the Party                    | Balance as on    |                  | Maximum Balance  |                  |
|--------------------------------------|------------------|------------------|------------------|------------------|
|                                      | 31st March, 2024 | 31st March, 2023 | 31st March, 2024 | 31st March, 2023 |
| Technocraft Textiles Limited         | 150.00           | 193.16           | 5,376.05         | 968.10           |
| Technocraft Speciality Yarns Limited | -                | 119.90           | 132.91           | 119.90           |
| Technocraft Formwork Private Limited | -                | 125.68           | 6,366.02         | 125.68           |
| <b>Total</b>                         | <b>150.00</b>    | <b>3,047.77</b>  | <b>14,493.27</b> | <b>5,180.92</b>  |

- 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 31
  4. Details of Loan Granted to Related Parties that are repayable on demand are as Under

| Particulars                             | As at 31st March, 2024                                       |  | As at 31st March, 2023                                      |  |
|---|--|--|---|--|
|   | 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  |
| <b>Total</b>                            | <b>-</b>   | <b>-</b>   | <b>2,609.03</b>   | <b>82.57</b>   |

### Note 6(c) : Others Financial Assets

| Particulars                                       | As at 31st March, 2024 |               | As at 31st March, 2023 |                 |
|---|------------------------|---------------|------------------------|-----------------|
|   | Current                | Non - Current | Current                | Non - Current   |
| <b>Security Deposits with :</b>                   |                        |               |                        |                 |
| Government Department                             | -                      | 387.36        | -                      | 365.71          |
| Others  | 79.79                  | -             | 163.56                 | -               |
| Bank Deposits with more than 12 Months Maturity * | -                      | 130.43        | -                      | 2,747.97        |
| Others ##   | 3,076.90               | -             | 1,623.62               | -               |
| <b>Total Other Financial Assets</b>               | <b>3,156.69</b>        | <b>517.79</b> | <b>1,787.18</b>        | <b>3,113.68</b> |

\* Bank Deposit are pledged against Bank Overdraft / Bank Guarantee .Also Refer Note No 32 for details of Fixed Deposits Pledged as Security.

## out of the above, ₹ 995 Lakhs represents the Partial call amount paid against the First call made by Technocraft Formworks Private Limited (formerly known as Technomatic Packaging Private Limited) and Technocraft Extrusions Private Limited on 19th March 2024 towards the Partly Paid up Equity Shares Alloted by the respective Companies to Technocraft Industries (India) Limited.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 6(d) : Trade Receivables

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Trade Receivables (other than related parties)                   | 22,261.66                | 22,161.10                |
| Receivables from related parties                                 | 27,751.06                | 38,520.97                |
| Trade Receivables which have significant increase in credit risk | -                        | -                        |
| Trade Receivables -Credit Impaired                               | -                        | -                        |
| Less : Allowance for doubtful trade receivables                  | -                        | -                        |
| <b>Total Trade Receivables</b>                                   | <b>50,012.72</b>         | <b>60,682.07</b>         |
| Current Portion  | 50,012.72                | 60,682.07                |
| Non - Current Portion  | -                        | -                        |
| <b>Break-up of security details</b>                              |                          |                          |
| Secured, Considered good   | -                        | -                        |
| Unsecured, Considered good                                       | 50,012.72                | 60,682.07                |
| Doubtful   | -                        | -                        |
| <b>Total</b>   | <b>50,012.72</b>         | <b>60,682.07</b>         |
| Allowance for doubtful Trade Receivables                         | -                        | -                        |
| <b>Total Trade Receivables</b>                                   | <b>50,012.72</b>         | <b>60,682.07</b>         |

The above Trade Receivables are Hypotheciated to various banks against availment of Working Capital Facilities .Also Refer Note No 32 for details of Debtors Pledged as Security.

### Trade Receivables ageing as at 31st March, 2024 (outstanding for following periods from due date of payment)

| Particulars   | Not due          | Less than<br>6 Months | 6 Months<br>-1 year | 1-2 years       | 2-3<br>years | More<br>than 3<br>years | Total            |
|---|------------------|-----------------------|---------------------|-----------------|--------------|-------------------------|------------------|
| <b>Undisputed Trade Receivables<br/>-Considered Good</b>                                    | 26,803.37        | 17,407.94             | 3,028.20            | 2,698.92        | -            | -                       | <b>49,938.43</b> |
| <b>Undisputed Trade Receivables<br/>-Which have significant increase<br/>in Credit Risk</b> | -                | -                     | -                   | -               | -            | -                       | -                |
| <b>Undisputed Trade Receivables<br/>-Credit Impaired</b>                                    | -                | -                     | -                   | -               | -            | -                       | -                |
| <b>Disputed Trade Receivables<br/>-Considered Good</b>                                      | -                | -                     | -                   | 52.83           | 21.46        | -                       | <b>74.29</b>     |
| <b>Disputed Trade Receivables<br/>-Which have significant increase<br/>in Credit Risk</b>   | -                | -                     | -                   | -               | -            | -                       | -                |
| <b>Disputed Trade Receivables<br/>-Credit Impaired</b>                                      | -                | -                     | -                   | -               | -            | -                       | -                |
| <b>Total</b>  | <b>26,803.37</b> | <b>17,407.94</b>      | <b>3,028.20</b>     | <b>2,751.75</b> | <b>21.46</b> | -                       | <b>50,012.72</b> |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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           |
| Disputed Trade Receivables -Which have significant increase in Credit Risk   | -                | -                  | -                | -            | -            | -                 | -                |
| Disputed Trade Receivables -Credit Impaired                                  | -                | -                  | -                | -            | -            | -                 | -                |
| <b>Total</b>   | <b>29,122.91</b> | <b>26,174.10</b>   | <b>5,285.36</b>  | <b>81.39</b> | <b>18.31</b> | <b>-</b>          | <b>60,682.07</b> |

### Note 6(e) : Cash and cash equivalents

| Particulars                               | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Balances with Banks - In current accounts | 5,881.77              | 12,250.54             |
| Cash on Hand                              | 22.98                 | 27.09                 |
| <b>Total Cash and Cash Equivalents</b>    | <b>5,904.75</b>       | <b>12,277.63</b>      |

### Note 6(f) : Other Bank Balances

| Particulars                                    | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| In Unclaimed Dividend Accounts                 | -                     | 2.40                  |
| In Escrow Account #                            | 650.00                | -                     |
| Fixed Deposit Accounts Between 3 & 12 Months * | 3,138.58              | 626.23                |
| <b>Total Other Bank Balances</b>               | <b>3,788.58</b>       | <b>628.63</b>         |

\* Fixed Deposit are pledged against Bank Overdraft / Bank Guarantee .Also Refer Note No 32 for details of Fixed Deposits Pledged as Security.

# against the Purchase of Assets

### Note 7 : Other Non-Current Assets

| Particulars                           | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------------|-----------------------|-----------------------|
| Capital Advances                      | 707.83                | 882.07                |
| <b>Total Other Non Current Assets</b> | <b>707.83</b>         | <b>882.07</b>         |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 8 : Inventories

| Particulars              | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--------------------------|--------------------------|--------------------------|
| Raw Material             | 17,309.83                | 18,713.42                |
| Work in Progress         | 4,281.47                 | 9,044.57                 |
| Finished Goods           | 11,632.06                | 5,555.04                 |
| Stores and Spares        | 2,368.52                 | 2,262.73                 |
| Scrap                    | 246.27                   | 527.60                   |
| Fuel & Oil               | 97.61                    | 92.35                    |
| Packing Materials        | 231.94                   | 214.94                   |
| <b>Total Inventories</b> | <b>36,167.70</b>         | <b>36,410.65</b>         |

Also Refer Note No 32 for details of Inventories pledged as securities.

### Note 9 : Current Tax Assets (net)

| Particulars                           | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---------------------------------------|--------------------------|--------------------------|
| Advance Tax                           | 30,217.23                | -                        |
| Less Provision for Taxation           | 29,797.61                | -                        |
| <b>Total Current Tax Assets (net)</b> | <b>419.62</b>            | <b>-</b>                 |

### Note 10 : Other Current Assets

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| Prepaid Expenses  | 352.69                   | 324.06                   |
| Balance With Statutory Authorities  | 3,801.72                 | 3,885.24                 |
| Advance Expenditure on Corporate Social Responsibility (Refer Note No 40) | 124.00                   | 250.00                   |
| Others  | 2,551.78                 | 1,538.85                 |
| <b>Total Other Current Asset</b>  | <b>6,830.19</b>          | <b>5,998.15</b>          |

### Note 11 : Assets Classified as Held for Sale

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Opening Net carrying value of Assets classified as Held for sale   | 308.44                   | 507.36                   |
| Less :Provision for Impairment Loss recognised during the year   | 68.64                    | -                        |
| Add : Reversal of Impairment loss recognised in earlier years  | -                        | 500.00                   |
| Add : Net Carrying Value of Assets transferred during the year from Property, Plant & Equipment ( Refer Note No.3) | 2,730.38                 | -                        |
| Less Net Carrying Value of Assets sold during the year   | 234.25                   | 698.92                   |
| Less Net carrying value of Asset transferred to property, Plant & Equipment (Refer Note No. 3)                     | 0.40                     | -                        |
| <b>Net Value of Assets Classified as Held for Sale</b>   | <b>2,735.53</b>          | <b>308.44</b>            |
| Net Value of Assets Classified as Held for Sale -Continuing Operations   | 2,735.53                 | 5.15                     |
| Net Value of Assets Classified as Held for Sale -Discontinued Operations   | -                        | 303.29                   |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note - 12 : Equity Share Capital & Other Equity

#### Note 12(a) : Equity Share Capital

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Authorised</b>   |                          |                          |
| 4,00,00,000 ( P.Y 4,00,00,000 ) Equity Shares of ₹.10/- Each.               | 4,000.00                 | 4,000.00                 |
|   | <b>4,000.00</b>          | <b>4,000.00</b>          |
| <b>Issued, Subscribed and Fully Paid Up</b>                                 |                          |                          |
| 2,29,61,687/- (P.Y 2,29,61,687 ) Equity Shares of ₹.10/- Each Fully Paid Up | 2,296.17                 | 2,296.17                 |
|   | <b>2,296.17</b>          | <b>2,296.17</b>          |

#### 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, 2024 |              | As on 31st March, 2023 |              |
|   | Number                 | ₹ (in Lakhs) | Number                 | ₹ (in Lakhs) |
| Shares outstanding at the beginning of the year | 22,961,687             | 2,296.17     | 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     | 22,961,687             | 2,296.17     |

#### c). Details of Shareholders holding more than 5% shares in the company:

| Name of the Party            | Equity Shares          |              |                        |              |
|------------------------------|------------------------|--------------|------------------------|--------------|
|                              | As on 31st March, 2024 |              | As on 31st March, 2023 |              |
|                              | No. of<br>Shares held  | ₹ (in Lakhs) | No. of<br>Shares held  | ₹ (in Lakhs) |
| Sudarshan Kumar Saraf        | 6,432,349              | 28.01        | 6,432,349              | 28.01        |
| Shakuntala Saraf             | 4,894,020              | 21.31        | 4,894,020              | 21.31        |
| Sharad Kumar Madhoprasad HUF | 2,087,695              | 9.09         | 2,087,695              | 9.09         |
| Navneet Kumar Saraf          | 1,337,685              | 5.83         | 1,337,685              | 5.83         |

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 2024. The said equity shares were bought back on 24-2-2023.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

### e) Shares held by Promoter's & Promoter Group at the end of the year

(₹ in Lakhs)

#### As at 31st March, 2024

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Changes during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|-------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf                 | 64,32,349                                 | -                       | 64,32,349                           | 28.01             | -                         |
| Shakuntala Saraf                      | 48,94,020                                 | -                       | 48,94,020                           | 21.31             | -                         |
| Sharad Kumar Saraf HUF                | 20,87,695                                 | -                       | 20,87,695                           | 9.09              | -                         |
| Navneet Kumar Saraf                   | 13,37,685                                 | -                       | 13,37,685                           | 5.83              | -                         |
| Sharad Kumar Saraf                    | 3,85,133                                  | -                       | 3,85,133                            | 1.68              | -                         |
| Suman Saraf                           | 1,11,072                                  | -                       | 1,11,072                            | 0.48              | -                         |
| Sudarshan Kumar Saraf HUF             | 70,807                                    | -                       | 70,807                              | 0.31              | -                         |
| Ritu Saraf                            | 1,48,116                                  | -                       | 1,48,116                            | 0.65              | -                         |
| Ashish Kumar Saraf                    | 4,77,974                                  | -                       | 4,77,974                            | 2.08              | -                         |
| Nidhi Saraf                           | 5,14,347                                  | -                       | 5,14,347                            | 2.24              | -                         |
| Priyanka Saraf                        | 4,73,322                                  | -                       | 4,73,322                            | 2.06              | -                         |
| Ashrit Holdings Limited               | 2,00,216                                  | -                       | 2,00,216                            | 0.87              | -                         |
| <b>Total</b>                          | <b>1,71,32,736</b>                        | <b>-</b>                | <b>1,71,32,736</b>                  | <b>74.61</b>      | <b>-</b>                  |

#### As at 31st March, 2023

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Changes during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|-------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf                 | 67,94,903                                 | 3,62,554                | 64,32,349                           | 28.01             | 5.34                      |
| Shakuntala Saraf                      | 51,69,867                                 | 2,75,847                | 48,94,020                           | 21.31             | 5.34                      |
| Sharad Kumar Saraf HUF                | 22,05,366                                 | 1,17,671                | 20,87,695                           | 9.09              | 5.34                      |
| Navneet Kumar Saraf                   | 14,13,082                                 | 75,397                  | 13,37,685                           | 5.83              | 5.34                      |
| Sharad Kumar Saraf                    | 4,06,840                                  | 21,707                  | 385,133                             | 1.68              | 5.34                      |
| Suman Saraf                           | 1,17,332                                  | 6,260                   | 111,072                             | 0.48              | 5.34                      |
| Sudarshan Kumar Saraf HUF             | 74,797                                    | 3,990                   | 70,807                              | 0.31              | 5.33                      |
| Ritu Saraf                            | 1,56,464                                  | 8,348                   | 148,116                             | 0.65              | 5.34                      |
| Ashish Kumar Saraf                    | 5,04,914                                  | 26,940                  | 477,974                             | 2.08              | 5.34                      |
| Nidhi Saraf                           | 5,43,337                                  | 28,990                  | 514,347                             | 2.24              | 5.34                      |
| Priyanka Saraf                        | 5,00,000                                  | 26,678                  | 473,322                             | 2.06              | 5.34                      |
| Ashrit Holdings Limited               | 3,80,446                                  | 1,80,230                | 200,216                             | 0.87              | 47.37                     |
| <b>Total</b>                          | <b>18,267,348</b>                         | <b>-</b>                | <b>1,71,32,736</b>                  | <b>74.61</b>      | <b>-</b>                  |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 12(b) : Other Equity

| Particulars                | As at<br>31st March 2024 | As at<br>31st March 2023 |
|----------------------------|--------------------------|--------------------------|
| Capital Redemption Reserve | 856.51                   | 856.51                   |
| <b>Others :</b>            |                          |                          |
| Capital Reserve            | 20.51                    | 20.51                    |
| General Reserve            | 12,007.44                | 12,007.44                |
| Retained Earnings          | 119,529.35               | 102,707.37               |
| <b>Total other Equity</b>  | <b>132,413.81</b>        | <b>115,591.83</b>        |

#### (i) Capital Redemption Reserve

| Particulars                       | As at<br>31st March 2024 | As at<br>31st March 2023 |
|-----------------------------------|--------------------------|--------------------------|
| Opening Balance                   | 856.51                   | 706.51                   |
| Add Transfer from General Reserve | -                        | 150.00                   |
| <b>Closing Balance</b>            | <b>856.51</b>            | <b>856.51</b>            |

#### (ii) Capital Reserve

| Particulars            | As at<br>31st March 2024 | As at<br>31st March 2023 |
|------------------------|--------------------------|--------------------------|
| Opening Balance        | 20.51                    | 20.51                    |
| <b>Closing Balance</b> | <b>20.51</b>             | <b>20.51</b>             |

#### (iii) General Reserve

| Particulars                                 | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| Opening Balance                             | 12,007.44                | 12,157.44                |
| Less Transfer to Capital Redemption Reserve | -                        | 150.00                   |
| <b>Closing Balance</b>                      | <b>12,007.44</b>         | <b>12,007.44</b>         |

#### (iv) Retained Earnings

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| Opening Balance   | 102,707.37               | 101,880.65               |
| Add : Total Comprehensive Income for the year after tax | 16,821.98                | 19,037.66                |
| Less Amount paid upon Buyback of Equity Shares          | -                        | 14,850.00                |
| Less Tax on Buyback of Equity Shares                    | -                        | 3,360.94                 |
| <b>Closing Balance</b>                                  | <b>119,529.35</b>        | <b>102,707.37</b>        |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ 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 13(a) : Non Current Borrowings

| Particulars                         | As at<br>31st March 2024 | As at<br>31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| <b>Secured</b>                      |                          |                          |
| <b>Term Loans</b>                   |                          |                          |
| <b>From banks</b>                   |                          |                          |
| ICICI Bank Rupee Term Loan (I)      | -                        | 3.96                     |
| ICICI Bank Rupee Term Loan (II)     | -                        | 21.28                    |
| Kotak Mahindra Bank Rupee Term Loan | -                        | 2,910.38                 |
| State Bank of India Car Loan        | -                        | 17.76                    |
| <b>Total Non Current Borrowings</b> | <b>-</b>                 | <b>2,953.38</b>          |

#### I. Nature of Security

- 1) Term Loan From ICICI Bank( I+II) was Secured against Fixed Deposits of the Company.
- 2) Term Loan From Kotak Mahindra Bank was 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

#### II. Terms of Repayment

- 1) Car Loan from State Bank of India is Repayable in 36 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 2023 7.25% p.a)

#### III. Quarterly Statements of Current Assets filed by the Company with Banks are in agreement with the Books of Accounts.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 13(a) : Current Borrowings

| Particulars                                  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| <b>Secured</b>                               |                          |                          |
| <b>From Banks</b>                            |                          |                          |
| 1. H.D.F.C. Bank- Overdraft                  | 1,175.03                 | 757.27                   |
| 2. H.D.F.C Bank -Working Capital Loan        | 1,500.00                 | 1,500.00                 |
| 3. H.D.F.C. Bank - Rupee Packing Credit      | 15,150.70                | 17,496.46                |
| 4. Kotak Mahindra Bank- Rupee Packing Credit | 3,951.67                 | 8,177.62                 |
| 5. Kotak Mahindra Bank- Working Capital Loan | -                        | 20.66                    |
| 6. HSBC -Rupee Packing Credit                | 600.00                   | 2,000.00                 |
| 7. CITI Bank -Rupee Packing Credit           | 16,110.23                | -                        |
| 8. CITI Bank -Working Capital Loan           | 4.02                     | -                        |
| 9. DBS Bank -Rupee Packing Credit            | -                        | 3,902.71                 |
| 10. ICICI Bank -Rupee Packing Credit         | -                        | 5,048.00                 |
| 11. ICICI Bank- Working Capital Loan         | -                        | 86.61                    |
| 12. Current Maturity on Long Term Loans      | 19.99                    | 1,857.73                 |
| <b>Unsecured</b>                             |                          |                          |
| <b>From Banks</b>                            |                          |                          |
| 1.Axis Bank- Rupee Packing Credit            | -                        | 7,500.00                 |
| 2.HSBC Bank (Vendor Discounting)             | 408.22                   | 582.05                   |
| <b>Total Current Borrowings</b>              | <b>38,919.86</b>         | <b>48,929.11</b>         |

#### I. Nature of Security

- Overdraft From H.D.F.C Bank is Secured Against Fixed Deposits of the Company.
- 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 .
- 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.
- 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)
- 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)
- 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.
- Export Packing Credit Against Confirmed Orders From CITI 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, 2024

(₹ in Lakhs)

8. Working Capital Loan From CITI 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.
  9. Export Packing Credit 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
  10. 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
  11. Working Capital Loan from ICICI Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile 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 13(b) : Other financial liabilities

| Particulars                              | As at 31st March, 2024 |               | As at 31st March, 2023 |               |
|--|------------------------|---------------|------------------------|---------------|
|  | Current                | Non - Current | Current                | Non - Current |
| Security Deposits                        | 306.95                 | 52.95         | 275.78                 | 23.82         |
| Liabilities For Expenses                 | 3,107.14               | -             | 1,795.35               | -             |
| Unclaimed Dividend                       | -                      | -             | 2.40                   | -             |
| <b>Total Other Financial Liabilities</b> | <b>3,414.09</b>        | <b>52.95</b>  | <b>2,073.53</b>        | <b>23.82</b>  |

### Note 13(c) : Trade payables

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Current</b>                                      |                          |                          |
| Amounts due to related parties                      | 2,984.89                 | 3,664.36                 |
| Total Outstanding dues to Micro & Small Enterprises | 159.58                   | 52.10                    |
| Others  | 10,232.23                | 11,498.95                |
| <b>Total Trade Payables</b>                         | <b>13,376.70</b>         | <b>15,215.41</b>         |

### 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<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| The Principal amount remaining unpaid to any supplier at the end of the year.   | 159.58                   | 52.10                    |
| 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. | -                        | -                        |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| 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 Meduim 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 Balancsheet 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 2024 ( outstanding from due date of Payment )

| Particulars  | Not due          | Less than<br>1 year | 1-2 years | 2-3 years | More than<br>3 years | Total            |
|--|------------------|---------------------|-----------|-----------|----------------------|------------------|
| Total Outstanding dues of micro enterprises and small enterprises #                    | 159.58           | -                   | -         | -         | -                    | 159.58           |
| Total Outstanding dues of creditors other than mirco enterprises and small enterprises | 10,710.83        | 2,506.29            | -         | -         | -                    | 13,217.12        |
| Disputed dues of micro enterprises and small enterprises                               | -                | -                   | -         | -         | -                    | -                |
| Disputed dues of creditors other than micro and small enterprises                      | -                | -                   | -         | -         | -                    | -                |
| <b>Total</b>   | <b>10,870.41</b> | <b>2,506.29</b>     | -         | -         | -                    | <b>13,376.70</b> |

# including ₹ 18.54 lakhs unbilled trade payables

### Trade Payables Ageing as at 31st March 2023 (outstanding from due date of Payment )

| Particulars  | Not Due          | Less than<br>1<br>year | 1-2 years | 2-3 years | More than<br>3<br>years | Total            |
|--|------------------|------------------------|-----------|-----------|-------------------------|------------------|
| 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                      | -                | -                      | -         | -         | -                       | -                |
| <b>Total</b>   | <b>11,973.68</b> | <b>3,241.73</b>        | -         | -         | -                       | <b>15,215.41</b> |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 14 : Provisions

| Particulars                                 | As at 31st March, 2024 |                 | As at 31st March, 2023 |                 |
|---|------------------------|-----------------|------------------------|-----------------|
|   | Current                | Non - Current   | Current                | Non - Current   |
| Provision For Leave Salary Encashment       | 88.07                  | 402.01          | 67.44                  | 391.09          |
| Provision For Gratuity                      | 167.40                 | 1,597.68        | 168.37                 | 1,760.90        |
| <b>Total Employee Benefit Obligations *</b> | <b>255.47</b>          | <b>1,999.69</b> | <b>235.81</b>          | <b>2,151.99</b> |

\* Also refer Note No 34 of Employee Benefits

### Note 15 : Deferred tax liabilities (Net)

The balance comprises temporary differences attributable to :

| Particulars  | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Property, Plant & Equipment, Intangible Assets & Investment Properties | 1,399.48              | 496.13                |
| Employee Benefits  | (567.58)              | (594.27)              |
| Investments  | 803.52                | 489.97                |
| Others   | (785.86)              | 59.15                 |
| <b>Net Deferred Tax Liabilities</b>                                    | <b>849.56</b>         | <b>450.98</b>         |

### Note 16 : Other Non-Current Liabilities

| Particulars                                | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Deferred Government Grant                  | 2,663.62              | 397.00                |
| <b>Total Other Non Current Liabilities</b> | <b>2,663.62</b>       | <b>397.00</b>         |

### Note 17 : Current Tax Liabilities (Net)

| Particulars                                | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Provision For Taxation                     | -                     | 24,686.61             |
| Less : Advance Tax                         | -                     | 24,161.01             |
| <b>Total Current Tax Liabilities (Net)</b> | <b>-</b>              | <b>525.60</b>         |

### Note 18: Other Current Liabilities

| Particulars                             | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Advance From Customers                  | 3,541.07              | 2,065.33              |
| Benten Technologies LLP-Current Account | 0.01                  | 0.10                  |
| Deferred Government Grant               | 956.44                | 249.68                |
| Other Liabilities                       | 673.53                | 442.26                |
| <b>Total Other Current Liabilities</b>  | <b>5,171.05</b>       | <b>2,757.37</b>       |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 19 : Revenue From Continuing Operations

| Particulars                                     | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Sale of products                                | 152,029.00                    | 170,086.02                    |
| Rendering of Services                           | 989.23                        | 407.35                        |
| Other Operating Revenue                         | 11,263.29                     | 12,015.65                     |
| <b>Total Revenue from Continuing Operations</b> | <b>164,281.52</b>             | <b>182,509.02</b>             |

### Disaggregation of Revenue

#### Revenue based on Geography

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Domestic  | 68,329.81                     | 70,106.88                     |
| Export #  | 95,951.71                     | 112,402.14                    |
| <b>Total Revenue from Continuing Operations as per statement of Profit &amp; Loss</b> | <b>164,281.52</b>             | <b>182,509.02</b>             |

# Export Incentives has been included in Export Revenue

#### Revenue based on Business Segment

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Drum Closure   | 47,216.03                     | 47,021.13                     |
| Scaffolding  | 78,105.17                     | 94,368.99                     |
| Yarn   | 22,795.42                     | 24,290.99                     |
| Fabric   | 16,164.90                     | 16,827.90                     |
| <b>Total Revenue from Operations as per statement of Profit &amp; Loss</b> | <b>164,281.52</b>             | <b>182,509.01</b>             |

### Contract Balances

| Particulars                                    | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Trade Receivables                              | 50,012.72                | 60,682.07                |
| Contract Liabilities (Advances from Customers) | 3,541.07                 | 2,065.33                 |

### Reconciling the Amount of Revenue recognised in the statement of Profit & Loss with the Contracted Prices

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Contract Price   | 164,628.41                    | 182,891.23                    |
| Less Discount , rebates , Returns, Claims etc                              | 346.89                        | 382.22                        |
| <b>Total Revenue from Operations as per statement of Profit &amp; Loss</b> | <b>164,281.52</b>             | <b>182,509.01</b>             |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 20 : Other Income and Other Gains/(Losses)

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Rental Income  | 274.92                        | 123.84                        |
| Other Interest Income  | 1,171.73                      | 515.87                        |
| Net Gain on financial assets measured at fair value through profit and loss      | 2,378.89                      | 872.00                        |
| Net Gain on Disposal of Investments measured at fair value through Profit & Loss | 159.96                        | 718.25                        |
| Amortisation of Grant  | 1,252.00                      | 233.70                        |
| Profit on Sale of Property, Plant & Equipment                                    | 157.08                        | 124.61                        |
| Other Non-Operating Income   | 921.04                        | 590.82                        |
| Net Foreign Exchange gain  | 1,062.08                      | 1,960.73                      |
| <b>Total Other Income</b>  | <b>7,377.70</b>               | <b>5,139.82</b>               |

### Note 21 : Cost of materials consumed

| Particulars                                | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Raw Materials at the Beginning of the year | 18,713.42                     | 14,152.47                     |
| Add : Purchases (net) #                    | 81,406.50                     | 95,586.62                     |
|  | 100,119.92                    | 109,739.09                    |
| Less : Raw Material at the end of the Year | 17,309.83                     | 18,713.42                     |
|  | 82,810.09                     | 91,025.67                     |
| Packing Material Consumed                  | 1,340.59                      | 1,341.99                      |
| <b>Total Cost of Material Consumed</b>     | <b>84,150.68</b>              | <b>92,367.66</b>              |

# 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 22 : Changes in inventories of finished goods, Stock - in -Trade and work - in - progress

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>Opening Balances</b>  |                               |                               |
| Work - in - Progress   | 9,044.57                      | 7,464.55                      |
| Finished Goods   | 5,555.04                      | 7,228.19                      |
| Scrap / Waste  | 527.60                        | 195.35                        |
| <b>Total Opening Balances</b>  | <b>15,127.21</b>              | <b>14,888.09</b>              |
| <b>Closing Balances</b>  |                               |                               |
| Work - in - Progress   | 4,281.47                      | 9,044.57                      |
| Finished Goods   | 11,632.06                     | 5,555.04                      |
| Scrap / Waste  | 246.27                        | 527.60                        |
| <b>Total Closing Balances</b>  | <b>16,159.80</b>              | <b>15,127.21</b>              |
| <b>Total Changes in inventories of finished goods, Stock-in-Trade and work-in-progress</b> | <b>(1,032.59)</b>             | <b>(239.12)</b>               |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 23 : Employee benefits expenses

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Salaries, Wages, Bonus etc                                      | 9,592.90                      | 8,749.06                      |
| Contribution To Provident Fund , ESIC & Other Funds             | 518.21                        | 489.21                        |
| Gratuity Expenses (Also Refer Note No 34 of Employee Benefits ) | 296.22                        | 291.44                        |
| Staff Welfare Expenses  | 498.06                        | 498.40                        |
| Directors Remuneration  | 599.25                        | 598.28                        |
| <b>Total Employee Benefits Expenses</b>                         | <b>11,504.64</b>              | <b>10,626.39</b>              |

### Note 24 : Finance costs

| Particulars                                    | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>Interest</b>                                |                               |                               |
| Interest Expenses (net)                        | 2,745.80                      | 2,006.86                      |
| <b>Financial Cost</b>                          |                               |                               |
| Bank Charges                                   | 174.84                        | 135.95                        |
| Bank Guarantee Charges                         | 29.57                         | 38.87                         |
| L/C Charges                                    | 57.19                         | 70.28                         |
| <b>Finance Cost expensed in Profit or Loss</b> | <b>3,007.40</b>               | <b>2,251.96</b>               |

### Note 25 : Depreciation and amortisation expenses

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Continuing Operations</b>                          |                               |                               |
| Depreciation on Property,Plant and Equipment          | 5,223.11                      | 5,265.86                      |
| Depreciation on Investment Properties                 | 37.09                         | 39.14                         |
| Amortisation of Intangible Assets                     | 93.25                         | 54.51                         |
| <b>Total Depreciation &amp; Amortisation expenses</b> | <b>5,353.45</b>               | <b>5,359.51</b>               |

### Note 26 : Other expenses

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Consumption of Stores and Spares & Other Consumable Items | 6,344.75                      | 6,282.67                      |
| <b>Repairs &amp; Maintenance</b>                          |                               |                               |
| Plant & Machinery   | 385.42                        | 378.66                        |
| Buildings   | 630.87                        | 561.02                        |
| Others  | 701.62                        | 679.52                        |
| Fuel And Oil Consumed                                     | 1,508.21                      | 2,013.19                      |
| Power & Electricity                                       | 5,229.54                      | 5,207.47                      |
| Job Work Charges  | 7,439.36                      | 6,595.64                      |
| Labour Charges  | 7,761.32                      | 8,215.96                      |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Water Charges  | 128.59                        | 128.28                        |
| Engineering & Design Charges   | 182.14                        | 141.58                        |
| Technical Training Expenses  | 92.00                         | 46.98                         |
| Vehicle Expenses   | 343.12                        | 334.23                        |
| Insurance Expenses   | 156.18                        | 200.94                        |
| Other Manufacturing Expenses   | 801.14                        | 774.19                        |
| Freight & Other Export Charges   | 4,791.89                      | 11,486.91                     |
| Selling & Distribution Expenses on Sales   | 1,583.02                      | 1,349.22                      |
| Warehouse & Handling Charges   | 131.50                        | 140.80                        |
| Commission/Brokerage   | 1,286.95                      | 1,164.62                      |
| Sales Promotion / Advertisement Expenses   | 321.18                        | 212.46                        |
| Travelling & Conveyance Expenses   | 628.20                        | 584.44                        |
| Licence , Legal & Professional Expenses  | 962.01                        | 1,230.07                      |
| Rent, Rates & Taxes  | 508.76                        | 354.48                        |
| Director Fees  | 4.70                          | 3.90                          |
| Printing & Stationery  | 105.34                        | 103.16                        |
| Postage,Telegram & Telephone Expenses  | 222.17                        | 165.22                        |
| Miscellaneous Expenses   | 23.84                         | 25.89                         |
| Loss on Sale of Property, Plant and Equipment                                      | 20.36                         | -                             |
| Donation   | 11.00                         | -                             |
| Expenditure incurred for Corporate Social Responsibility (CSR) ( Refer Note No 40) | 400.00                        | 338.60                        |
| Payment to Auditors - <b>Note 26(a) below</b>                                      | 19.42                         | 19.44                         |
| Sundry Balances written off  | 64.00                         | 90.74                         |
| Share of Loss from Benten Technologies LLP   | 0.41                          | 0.02                          |
| Bad Debts  | 282.80                        | 95.75                         |
| <b>Total Other expenses</b>  | <b>43,071.81</b>              | <b>48,926.05</b>              |

### Note 26 (a) : - Details of Payment to Auditors

| Particulars                      | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|----------------------------------|-------------------------------|-------------------------------|
| <b>Payment to Auditors</b>       |                               |                               |
| <b>As Auditor :</b>              |                               |                               |
| Audit Fees                       | 12.50                         | 12.50                         |
| Tax Audit Fees                   | 6.00                          | 6.00                          |
| <b>In other capacities :</b>     |                               |                               |
| Certification Fees               | 0.65                          | 0.90                          |
| Out of Pocket expenses           | 0.27                          | 0.04                          |
| <b>Total Payment to Auditors</b> | <b>19.42</b>                  | <b>19.44</b>                  |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 27 : Exceptional Items

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Payment of Retrenchment Compensation ( on Closure of Yarn Unit Located at Murbad) | 875.58                        | -                             |
| <b>Total</b>  | <b>875.58</b>                 | <b>-</b>                      |

### Note 28 : Tax Expenses

#### (a) Amounts recognised in profit or loss

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Tax expenses recognised in the statement of Profit and Loss of Continuing Operations</b>   |                               |                               |
| <b>Current tax expense</b>  |                               |                               |
| Current year  | 5,111.00                      | 6,828.59                      |
| Income Tax expenses of Earlier Years  | (7.58)                        | (151.72)                      |
| <b>Deferred tax expense</b>   |                               |                               |
| Origination and reversal of temporary differences   | 431.49                        | (544.90)                      |
| <b>Total tax expenses of Continuing operations</b>  | <b>5,534.91</b>               | <b>6,131.97</b>               |
| <b>Tax expenses recognised in the statement of Profit and Loss of Discontinued Operations</b> |                               |                               |
| <b>Current tax expense</b>  |                               |                               |
| Current year  | -                             | (7.59)                        |
| <b>Deferred tax expense</b>   |                               |                               |
| Origination and reversal of temporary differences   | (17.28)                       | 133.43                        |
| <b>Total tax expenses of Discontinued Operations</b>  | <b>(17.28)</b>                | <b>125.84</b>                 |
| <b>Total tax expenses of Continuing &amp; Discontinued Operations</b>                         | <b>5,517.63</b>               | <b>6,257.81</b>               |

#### (b) Amounts recognised in other comprehensive income

| Particulars   | 2023-2024      |                         |                | 2022-2023    |                         |              |
|---|----------------|-------------------------|----------------|--------------|-------------------------|--------------|
|   | Before tax     | Tax expense / (benefit) | Net of tax     | Before tax   | Tax expense / (benefit) | Net of tax   |
| <b>Items that will not be reclassified to profit &amp; loss</b> |                |                         |                |              |                         |              |
| Remeasurements of the defined benefit plans                     | (62.11)        | (15.63)                 | (46.48)        | 26.60        | 6.69                    | 19.91        |
|   | <b>(62.11)</b> | <b>(15.63)</b>          | <b>(46.48)</b> | <b>26.60</b> | <b>6.69</b>             | <b>19.91</b> |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### (c) Reconciliation of effective tax rate

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Profit before tax from Continuing &amp; Discontinued Operations</b>                                | <b>22,386.09</b>              | <b>25,275.56</b>              |
| Applicable Tax Rate (Current year 25.168% and Previous Year 25.168%)                                  | <b>5,634.13</b>               | <b>6,361.35</b>               |
| <b>Tax effect of :</b>  |                               |                               |
| Tax effect of non deductible expenses / Allowable expenses on Payment Basis.                          | 162.81                        | 20.70                         |
| Excess of Depreciation over books under Income Tax Act  | 1,112.94                      | 263.33                        |
| Deductions under Various sections of Income Tax Act   | (14.29)                       | (12.11)                       |
| Effect of taxation of Capital Gains   | (210.52)                      | (1,353.26)                    |
| Others  | (1,159.86)                    | 1,129.52                      |
| Taxation of Earlier Years   | (7.58)                        | (151.72)                      |
| <b>Tax expenses as per Statement of Profit &amp; Loss ( Continuing &amp; Discontinued Operations)</b> | <b>5,517.63</b>               | <b>6,257.81</b>               |
| <b>Effective tax rate</b>   | <b>24.65%</b>                 | <b>24.76%</b>                 |

### (d) Movement in deferred tax balances

| Particulars                                    | 31st March 2024  |  |  |                                |   |
|--|--|--|--|--------------------------------|---|
|  | As at<br>1st April<br>2023<br>Deferred<br>Tax Asset /<br>(Liabilities) | (Credit) /<br>Charge in<br>Statement of<br>profit or loss<br>of Continuing<br>Operations | (Credit) /<br>Charge in<br>Statement of<br>profit or loss of<br>Discontinued<br>Operations | (Credit) /<br>Charge<br>in OCI | As at<br>31st March<br>2024<br>Deferred<br>Tax Asset /<br>(Liabilities) |
| <b>Deferred tax Asset/(Liabilities)</b>        |  |  |  |                                |   |
| Depreciation                                   | (496.13)   | 920.63   | (17.28)  | -                              | (1,399.48)  |
| Expenses Allowed in the year of Payment        | 594.27   | 42.32  | -  | (15.63)                        | 567.58  |
| Investments                                    | (489.97)   | 313.55   | -  | -                              | (803.52)  |
| Others   | (59.15)  | (845.01)   | -  | -                              | 785.86  |
| <b>Deferred Tax Assets/(Liabilities) - Net</b> | <b>(450.98)</b>  | <b>431.49</b>  | <b>(17.28)</b>   | <b>(15.63)</b>                 | <b>(849.56)</b>   |

| Particulars                                    | 31st March 2023  |  |  |                                |   |
|--|--|--|--|--------------------------------|---|
|  | As at<br>1st April<br>2022<br>Deferred<br>Tax Asset /<br>(Liabilities) | (Credit) /<br>Charge in<br>Statement of<br>profit or loss<br>of Continuing<br>Operations | (Credit) /<br>Charge in<br>Statement of<br>profit or loss of<br>Discontinued<br>Operations | (Credit)<br>/ Charge<br>in OCI | As at<br>31st March<br>2023<br>Deferred<br>Tax Asset /<br>(Liabilities) |
| <b>Deferred tax Asset/(Liabilities)</b>        |  |  |  |                                |   |
| 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)   |
| <b>Deferred Tax Assets/(Liabilities) - Net</b> | <b>(855.76)</b>  | <b>(544.90)</b>  | <b>133.43</b>  | <b>6.69</b>                    | <b>(450.98)</b>   |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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 29 : 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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Revenue from Operations</b>                          | -                             |                               |
| Reversal of Impairment Loss Recognised in Earlier Years |                               | 500.00                        |
| Other Income  | -                             | -                             |
| <b>Total Income</b>                                     | -                             | <b>500.00</b>                 |
| Operating Expenses                                      | -                             | -                             |
| Provision for Impairment Loss                           | 68.64                         | -                             |
| Finance Cost  | -                             | -                             |
| <b>Total Expenses</b>                                   | <b>68.64</b>                  | -                             |
| <b>Profit / (Loss) before Tax</b>                       | <b>(68.64)</b>                | <b>500.00</b>                 |
| Tax expenses / (credit)                                 | (17.28)                       | 125.84                        |
| <b>Profit / (Loss) after Tax</b>                        | <b>(51.36)</b>                | <b>374.16</b>                 |

### Note 30 : Earnings per equity share (EPS)

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>For Continuing Operations</b>   |                               |                               |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)                | 16,919.82                     | 18,643.59                     |
| Weighted Average No of shares Outstanding during the year                                | 22,961,687                    | 24,066,216                    |
| <b>Earnings per Share -Basic &amp; Diluted ( Face Value of ₹ 10/- per Share)(in ₹)</b>   | <b>73.68</b>                  | <b>77.47</b>                  |
| <b>For Discontinued Operations</b>   |                               |                               |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)                | (51.36)                       | 374.16                        |
| Weighted Average No of shares Outstanding during the year                                | 22,961,687                    | 24,066,216                    |
| <b>Earnings per Share -Basic &amp; Diluted ( Face Value of ₹ 10/- per Share) (in ₹)</b>  | <b>(0.22)</b>                 | <b>1.55</b>                   |
| <b>For Continuing &amp; Discontinued Operations</b>                                      |                               |                               |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)                | 16,868.46                     | 19,017.75                     |
| Weighted Average No of shares Outstanding during the year                                | 22,961,687                    | 24,066,216                    |
| <b>Earnings per Share -Basic &amp; Diluted ( Face Value of ₹ 10/- per Share ) (in ₹)</b> | <b>73.46</b>                  | <b>79.02</b>                  |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 31 : Contingent Liabilities & Commitments (to the extent not Provided for)

#### Contingent Liabilities

| S. No | Contingent Liabilities not provided For  | As at 31st March 2024 | As at 31st March 2023 |
|-------|--|-----------------------|-----------------------|
| 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. | 2,782.23              | 2,756.71              |
| 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.                                      | 3,336.20              | 3,286.80              |
| III.  | Corporate Guarantee aggregating to Pounds 25,00,000 (P.Y Pounds 25,00,000) given to Banks on behalf of Technocraft International Ltd, UK.  | 2,625.81              | 2,541.19              |
| IV.   | Corporate Guarantee aggregating to USD 8,00,000 (P.Y USD 8,00,000 ) given to Banks on behalf of Technosoft Engineering Inc. ,USA   | 667.24                | 657.36                |
| 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.  | 12,510.75             | 12,325.50             |
| VI    | Corporate Guarantee aggregating to USD 30,00,000 (P.Y USD 20,00,000) given to Banks on behalf of Technocraft NZ Limited  | 2,502.15              | 1,643.40              |
| VII.  | Corporate Guarantee aggregating to ₹100,00,00,000 (P.Y 100,00,00,000) given to Banks on behalf of Technocraft Textiles Limited   | 10,000.00             | 10,000.00             |
| VIII. | Corporate Guarantee aggregating to ₹ 106,00,00,000 (P.Y NIL) given to Banks on behalf of Technocraft Extrusions Private Limited  | 10,600.00             | -                     |
| IX.   | Corporate Guarantee aggregating to ₹ 120,10,00,000 (P.Y NIL) given to Banks on behalf of Technocraft Form Work Private Limited (Formerly known as Technomatic Packaging Private Limited)           | 12,010.00             | -                     |
| X     | Bank Guarantee issued in favour of Suppliers, Customers & Other Statutory Authorities  | 3,917.48              | 3,922.34              |
| XI    | Excise Duty Matters  | # 526.70              | # 1642.37             |
| XII   | Service Tax Matters  | # 243.53              | # 243.53              |
| XIII. | Goods & Service Tax Matters  | 83.16                 | 83.16                 |
| XIV   | Income Tax Matters   | 1,414.71              | 1,525.97              |
| XV    | Other Legal Matters  | 2,871.29              | 2,871.29              |

# includes Penal Amount also.

The above amount are net of the amount if any deposited / Adjusted

#### Commitments

| S. No | Particulars   | Year Ended 31st March 2024 | Year Ended 31st March 2023 |
|-------|---|----------------------------|----------------------------|
| I.    | Estimated Amount of Capital Contracts remaining to be executed and not Provided for (net of capital advances) | 219.47                     | 84.68                      |
| II.   | Liability for partly paid up Investments  | 3,936.21                   | -                          |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note- 32 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<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Non Current Assets</b>                           |                          |                          |
| <b>Property, Plant &amp; Equipment</b>              |                          |                          |
| Free Hold Land                                      | 291.88                   | 291.88                   |
| LeaseHold Land                                      | 318.71                   | 322.51                   |
| Factory Building                                    | 11,685.87                | 7,642.17                 |
| Plant & Machinery                                   | 10,195.06                | 9,865.11                 |
| Capital Work in Progress                            | -                        | 3,152.34                 |
| <b>Other Financial Assets</b>                       |                          |                          |
| Investments   | 2,481.92                 | 2,309.26                 |
| Fixed Deposits with Banks                           | 130.43                   | 2,747.97                 |
| <b>Total Non Current Assets Pledged as security</b> | <b>25,103.87</b>         | <b>26,331.24</b>         |
| <b>Current Assets</b>                               |                          |                          |
| Inventories   | 36,049.63                | 36,132.74                |
| <b>Other Financial Assets</b>                       |                          |                          |
| Trade Receivables                                   | 50,012.72                | 60,682.07                |
| Fixed Deposits with Banks                           | 3,138.58                 | 626.23                   |
| Investments   | 623.30                   | 525.12                   |
| <b>Total Current Assets Pledged as security</b>     | <b>89,824.23</b>         | <b>97,966.16</b>         |
| <b>Total Assets Pledged as Security</b>             | <b>114,928.10</b>        | <b>124,297.40</b>        |

### 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

#### A Name of the related Parties and description of relationship:

##### Subsidiary Companies /LLP

1. Technocraft International Ltd
2. Technocraft Trading Spolka Z.O.O
3. Technocraft Speciality Yarns Limited
4. Technosoft Engineering Projects Ltd
5. Anhui Reliable Steel Technology Co. Ltd
6. Techno Defence Private Ltd
7. Technocraft NZ Limited
8. Shivale Infra Products Private Limited
9. Technocraft Fashions Limited



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

10. Technocraft Textiles Limited
11. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited)
12. BMS Industries Private Limited ( w.e.f 1-7-2023)
13. Technocraft Extrusions Private Limited (w.e.f 17-5-2023)
14. Benten Technologies LLP ( Till 31-8-2023 the same was classified as associate of Technocraft Industries (India) 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
8. Technosoft Integrated Solutions Inc , Canada

### Joint Venture / Associate

1. Technocraft Tabla Formwork Systems Private Limited

### Name of other 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)

### Relatives of KMP

1. Shakuntala Saraf
2. Suman Saraf
3. Nidhi Saraf
4. Priyanka Saraf
5. Renu Rai

### Relatives of KMP / Enterprises in which KMP are Interested

1. S.K.Saraf HUF
2. Navneet Kumar Saraf HUF
3. Ashish Kumar Saraf HUF



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

4. Ashrit Holdings Limited
5. M.D.Saraf Securities Pvt Ltd
6. Paithan Eco Foods Pvt Ltd
7. Nutricraft Products Pvt Ltd
8. Ashrey International Trading Pvt Ltd
9. 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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>1. Sales of Goods , Materials , Assets &amp; Services</b>  |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>  |                               |                               |
| 1. Technocraft International Ltd  | 855.34                        | 1,758.83                      |
| 2. Technocraft Trading Spolka Z.O.O   | 1,365.50                      | 6,444.76                      |
| 3. AAIT/ Technocraft Scaffold Distribution LLC  | 28,188.20                     | 42,016.89                     |
| 4. Anhui Reliable Steel Technology Co Ltd   | 1,067.31                      | 906.82                        |
| 5. Shivale Infra Products Private Limited   | 727.71                        | 169.21                        |
| 6. Technocraft Fashions Limited   | 3,308.01                      | 2,164.58                      |
| 7. Technocraft NZ Limited   | 1,118.75                      | 1,489.21                      |
| 8. BMS Industries Private Limited   | 194.65                        | 144.00                        |
| 9. High Mark International Trading FZE  | 1,420.68                      | -                             |
| 10. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 242.13                        | -                             |
| 11. Technocraft Textiles Limited  | 0.58                          | -                             |
| 12. Technosoft Engineering Inc.   | -                             | 34.90                         |
| <b>Trust</b>  |                               |                               |
| Shanti Seva Nidhi Trust   | 2.37                          | 15.33                         |
| <b>B. Interest Received</b>   |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>  |                               |                               |
| 1. Anhui Reliable Steel Technology Co. Ltd  | -                             | 5.97                          |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Transactions during the Year   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| 2. Technocraft Fashions Ltd  | 56.17                         | 85.76                         |
| 3. Technocraft NZ Limited  | 17.76                         | 52.83                         |
| 4. Technocraft International Ltd   | 21.67                         | 154.01                        |
| 5. Technocraft Textiles Limited  | 291.52                        | 17.06                         |
| 6. Technocraft Speciality Yarns Ltd  | 11.80                         | 8.84                          |
| 7. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 357.21                        | 1.45                          |
| 8. Technocraft Extrusions Private Limited  | 13.95                         | -                             |
| <b>C. Fees Received against Issue of Guarantee Subsidiaries / Step down Subsidiaries</b>           |                               |                               |
| 1. Technocraft International Ltd   | 12.01                         | 12.71                         |
| 2. Technocraft Trading Spolka Z.O.O  | 13.95                         | 13.78                         |
| 3. Anhui Reliable Steel Technology Co. Ltd   | 16.73                         | 16.43                         |
| 4. AAIT/ Technocraft Scaffold Distribution LLC   | 62.73                         | 61.63                         |
| 5. Technosoft Engineering Inc.   | 3.35                          | 4.52                          |
| 6. Technocraft NZ Limited  | 11.15                         | 7.54                          |
| 7. Technocraft Textiles Limited  | 100.00                        | 50.00                         |
| 8. Technocraft Extrusions Private Limited  | 53.87                         | -                             |
| 9. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 61.03                         | -                             |
| <b>D. Rent Received Relatives of KMP</b>   |                               |                               |
| 1. Priyanka Saraf  | 12.00                         | 12.00                         |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Technosoft Engineering Projects Limited   | 24.00                         | 2.00                          |
| 2. Technocraft Fashions Limited  | 16.43                         | 10.44                         |
| 3. BMS Industries Private Limited  | 2.00                          | 2.00                          |
| 4. Techno Defence Private Limited  | 0.05                          | 0.01                          |
| 5. Shivale Infra Products Private Limited  | 0.05                          |                               |
| 6. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 0.05                          |                               |
| 7. Technocraft Extrusions Private Limited  | 0.05                          | -                             |
| 8. Technocraft Textiles Limited  | 10.78                         | -                             |
| <b>Enterprises in which KMP are Interested</b>   |                               |                               |
| 1. M.D.Saraf Securities Pvt Ltd  | 0.05                          | 0.01                          |
| 2. Ashrit Holdings Limited   | 0.05                          | 0.01                          |
| 3. Paithan Eco Foods Pvt Ltd   | -                             | 0.01                          |
| <b>E. Advancement of Loan Subsidiaries / Step down Subsidiaries</b>                                |                               |                               |
| 1. Technocraft Fashions Limited  | 1,181.52                      | 2,180.55                      |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Transactions during the Year   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| 2. Technocraft Textiles Limited  | 5,521.39                      | 424.27                        |
| 3. Technocraft Speciality Yarns Limited  | 13.02                         | 119.90                        |
| 4. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 10,332.11                     | 125.83                        |
| 5. 5. Technocraft Extrusions Private Limited   | 1,084.98                      | -                             |
| <b>F. Recovery of Loan</b>   |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Anhui Reliable Steel Technology Co. Ltd   | -                             | 303.21 #                      |
| 2. Technocraft International Ltd   | # 805.67                      | 1420.73 #                     |
| 3. Technocraft NZ Limited  | # 539.57                      | -                             |
| 4. Technocraft Fashions Limited  | 2,445.31                      | 1,525.00                      |
| 5. Technocraft Textiles Limited  | 5,564.55                      | 948.00                        |
| 6. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 10,457.79                     | 0.15                          |
| 7. Technocraft Speciality Yarns Limited  | 132.92                        | -                             |
| 8. Technocraft Extrusions Private Limited  | 1084.98                       | -                             |
| # excluding year end Forex Effect in case of Recovery of Loans from Foreign Subsidiaries           |                               |                               |
| <b>G. Engineering &amp; Design Charges Paid</b>  |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Technosoft Engineering Projects Ltd   | 181.83                        | 141.59                        |
| <b>H. Commission Paid on Sales</b>   |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Technocraft Trading Spolka Z.O.O  | 65.19                         | 67.66                         |
| <b>Enterprise in which Non Executive Director is Interested</b>                                    |                               |                               |
| 1. Remi Edelstahl Tubular Ltd  | 76.86                         | 56.49                         |
| <b>I. Sales Support Charges</b>  |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Technosoft Engineering Inc.   | -                             | 3.08                          |
| 2. AAIT/ Technocraft Scaffold Distribution LLC   | -                             | 42.30                         |
| <b>J. Sitting Fees</b>   |                               |                               |
| <b>Non Executive Directors</b>   |                               |                               |
| 1. Director Sitting Fees   | 4.70                          | 3.90                          |
| <b>K. Warehousing Charges Paid</b>   |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. AAIT/ Technocraft Scaffold Distribution LLC   | 67.67                         | 66.50                         |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Transactions during the Year   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>L. Purchase of Materials / Assets / Stores &amp; Spares / Traded Goods</b>                      |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. High Mark International Trading -F.Z.E  | -                             | 36.29                         |
| 2. Anhui Reliable Steel Technology Co. Ltd   | 2.58                          | 794.42                        |
| 3. Techno Defence Pvt Ltd  | 12.67                         | 22.36                         |
| 4. Technocraft Fashions Limited  | 25.85                         | 96.39                         |
| 5. Technocraft Trading Spolka Z.O.O  | 12.61                         | 10.00                         |
| 6. Technosoft Engineering Projects Limited   | -                             | 13.14                         |
| 7. BMS Industries Private Limited  | 477.94                        | 444.76                        |
| 8. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 115.92                        | -                             |
| <b>M. Job Work Charges Paid</b>  |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. BMS Industries Ltd  | 6,994.28                      | 6,170.98                      |
| 2. Technocraft Fashions Limited  | 22.75                         | 145.96                        |
| <b>N. Rent Paid</b>  |                               |                               |
| <b>Enterprises in which KMP are Interested</b>   |                               |                               |
| 1. S.K.Saraf HUF   | 24.00                         | 24.00                         |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Technosoft Engineering Projects Ltd   | 20.34                         | 20.34                         |
| <b>O. Professional fees Paid</b>   |                               |                               |
| <b>Relatives of KMP</b>  |                               |                               |
| 1. Renu Rai  | 0.57                          | 5.12                          |
| <b>P. Managerial Remuneration</b>  |                               |                               |
| <b>Key Managerial Personnel</b>  |                               |                               |
| Salaries ,Wages ,Bonus , Commission & Other Benefits   | *615.31                       | *613.76                       |
| Contribution towards P.F.,Family Pension etc   | 2.14                          | 1.92                          |
| <b>Q. Investment in Equity shares / Preference Shares</b>  |                               |                               |
| <b>Subsidiaries / Step down Subsidiaries</b>   |                               |                               |
| 1. Technocraft Textiles Limited  | 5,376.00                      | 948.00                        |
| 2. Technocraft Speciality Yarns Limited  | 132.00                        | 1.00                          |
| 3. Technocraft Fashions Limited  | 2,010.00                      | -                             |
| 4. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 6,069.53                      | -                             |
| 5. Technocraft Extrusions Private Limited  | 425.98                        | -                             |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Transactions during the Year  | Year Ended<br>31st March 2024    | Year Ended<br>31st March 2023    |
|---|----------------------------------|----------------------------------|
| <b>R. Investment in Equity Shares of BMS Industries Private Limited<br/>KMP/ Relatives of KMP / Enterprises in which KMP are interested</b> |                                  |                                  |
| 1. Sharad Kumar Saraf   | 796.05                           | -                                |
| 2. Sudarshan Kumar Saraf  | 5.51                             | -                                |
| 3. Navneet Kumar Saraf  | 874.94                           | -                                |
| 4. Ashish Kumar Saraf   | 892.69                           | -                                |
| 5. Shakuntala Saraf   | 943.98                           | -                                |
| 6. Suman Saraf  | 2,320.16                         | -                                |
| 7. Nidhi Saraf  | 274.55                           | -                                |
| 8. Priyanka Saraf   | 842.46                           | -                                |
| 9. Navneet Kumar Saraf (HUF)  | 31.68                            | -                                |
| 10. Ashish Kumar Saraf (HUF)  | 31.67                            | -                                |
| 11. Ashrit Holdings Limited   | 0.91                             | -                                |
| <b>S. Payment of Call Money against allotment of Partly Paid up Equity<br/>Shares</b>   |                                  |                                  |
| <b>Subsidiaries / Step down Subsidiaries</b>  |                                  |                                  |
| 1. Technocraft Formworks Private Limited (Formerly known as<br>Technomatic Packaging Private Limited)                                       | 650                              | -                                |
| 2. Technocraft Extrusions Private Limited   | 345                              | -                                |
| <b>T. Trusts</b>  |                                  |                                  |
| <b>Technocraft Industries (i) Ltd Employees Group Gratuity Trust</b>  |                                  |                                  |
| Gratuity Contribution   | 300.00                           | 250.75                           |
| Gratuity Benefits Received  | 223.06                           | 335.33                           |
| <b>Amount due to / From Related Parties</b>   | <b>As at<br/>31st March 2024</b> | <b>As at<br/>31st March 2023</b> |
| <b>A. Trade &amp; Other Receivables</b>   |                                  |                                  |
| <b>Subsidiaries / Step Down Subsidiaries</b>  |                                  |                                  |
| 1. Technocraft International Ltd  | 411.06                           | 298.18                           |
| 2. Technocraft Trading Spolka Z.O.O   | 2,772.58                         | 6,252.51                         |
| 3. AAIT/ Technocraft Scaffold Distribution LLC  | 21,764.48                        | 29,601.50                        |
| 4. Anhui Reliable Steel Technology Co. Ltd  | 1,101.96                         | 1,007.20                         |
| 5. Technosoft Engineering Inc.  | 10.16                            | 25.95                            |
| 6. Technocraft NZ Limited   | 917.50                           | 1,068.74                         |
| 7. HighMark International Trading FZE   | 283.26                           | -                                |
| 8. Technocraft Fashions Limited   | 1,237.00                         | 658.42                           |
| 9. Shivale Infra Products Pvt Ltd   | 284.05                           | 500.40                           |
| 10. Technocraft Textiles Limited  | 276.58                           | 56.50                            |
| 11. Techo Defence Private Limited   | 49.00                            | -                                |
| 12. Technocraft Formworks Pvt Ltd (Formerly known as Technomatic<br>Packaging Private Limited)  | 177.81                           | -                                |
| 13. Technocraft Extrusions Private Ltd  | 67.00                            | -                                |
| 14. Technocraft Speciality Yarn Ltd   | 2.46                             | -                                |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Amount due to / From Related Parties   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| <b>Advancement of Loan</b>   |                          |                          |
| <b>Subsidiaries / Step Down Subsidiaries</b>   |                          |                          |
| 1. Technocraft Textiles Limited  | 150.00                   | 193.16                   |
| 2. Technocraft Speciality Yarns Ltd  | -                        | 119.90                   |
| 3. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | -                        | 125.68                   |
| 4. Technocraft Fashions Limited  | -                        | 1,263.79                 |
| 5. Technocraft NZ Limited  | -                        | 539.57                   |
| 6. Technocraft International Limited   | -                        | 805.67                   |
| <b>Payment of Call Money Pending Allocation</b>  |                          |                          |
| <b>Subsidiaries / Step Down Subsidiaries</b>   |                          |                          |
| 1. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 650                      | -                        |
| 2. Technocraft Extrusions Private Limited  | 345                      | -                        |
| <b>B. Trade &amp; Other Payables</b>   |                          |                          |
| <b>Subsidiaries / Step Down Subsidiaries</b>   |                          |                          |
| 1. Technocraft Trading Spolka Z.O.O  | 25.74                    | 84.62                    |
| 2. Anhui Reliable Steel Technology Co. Ltd   | 0.06                     | 932.99                   |
| 3. AAIT / Technocraft Scaffold Distribution  | 11.34                    | -                        |
| 4. HighMark International Trading FZE  | -                        | 38.65                    |
| 5. Technocraft Formworks Private Limited (Formerly known as Technomatic Packaging Private Limited) | 249.19                   | -                        |
| 6. BMS Industries Private Ltd  | 2,947.75                 | 2593.61                  |
| <b>Enterprise in which Non Executive Director is Interested</b>                                    |                          |                          |
| 1. Remi Edelstahl Tubular Ltd  | 80.59                    | 14.49                    |
| <b>Commission &amp; other Amount Payable</b>   |                          |                          |
| 1. Key Managerial Personnel ( including Relatives of KMP)  | 230.78                   | 230.78                   |
| <b>Guarantees Issued to Bank</b>   |                          |                          |
| 1. Subsidiaries / Step Down Subsidiaries   | 57,034.38                | 33,210.96                |
| <b>Gratuity Contribution &amp; Administration Charges Payable</b>                                  |                          |                          |
| <b>Trust</b>   |                          |                          |
| 1. Technocraft Industries (I) Ltd Employees Group Gratuity Trust                                   | 1,770.50                 | 1,934.68                 |

### Note

- 1) 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



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

year through examining the Financial Position of the related party and the market in which the related Party operates

2. Loan given to subsidiaries have been utilised for the Purposes for which Loan have been advanced by the Parent Company.
3. 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

### Note 34 : 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 | 2023-2024 | 2022-2023 |
|---|-----------|-----------|
| Defined Contribution Scheme                           | 458.06    | 428.63    |

##### 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 Aditya Birla Sun Life Insurance Company Limited 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, 2024 | As at 31st March, 2023 |
| Present value of funded obligations     | 2,338.34               | 2,354.76               |
| Fair Value of plan assets               | 573.26                 | 425.49                 |
| <b>Net (Asset)/Liability recognised</b> | <b>1,765.08</b>        | <b>1,929.27</b>        |

##### Movements in plan assets and plan liabilities

| Particulars  | Present value of obligations | Fair Value of Plan Assets |
|--|------------------------------|---------------------------|
| <b>As at 1st April 2023</b>  | <b>2,354.76</b>              | <b>425.49</b>             |
| Current service cost   | 159.68                       | -                         |
| Interest Income  | -                            | 16.47                     |
| Interest Cost  | 153.01                       | -                         |
| Return on plan assets excluding amounts included in net finance income | -                            | 54.36                     |
| Actuarial (gain)/loss arising from changes in financial assumptions    | 29.70                        | -                         |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Present value of obligations | Fair Value of Plan Assets |
|---|------------------------------|---------------------------|
| Contributions by Employer                                 | -                            | 300.00                    |
| Actuarial (gain)/loss arising from experience adjustments | 86.77                        | -                         |
| Benefit payments from Fund                                | (223.06)                     | (223.06)                  |
| Benefit payments by Company                               | (222.52)                     | -                         |
| <b>As at 31st March 2024</b>                              | <b>2,338.34</b>              | <b>573.26</b>             |

| Particulars  | Present value of obligations | Fair Value of Plan Assets |
|--|------------------------------|---------------------------|
| <b>As at 1st April 2022</b>  | <b>2,424.31</b>              | <b>509.13</b>             |
| 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 from Fund   | (335.33)                     | (335.33)                  |
| Benefit payments by Company  | -                            | -                         |
| <b>As at 31st March 2023</b>   | <b>2,354.76</b>              | <b>425.49</b>             |

### Statement of Profit and Loss

| Employee benefit expenses :   | 2023-2024     | 2022-2023      |
|---|---------------|----------------|
| Current Service cost  | 159.68        | 165.94         |
| Net Interest cost   | 136.54        | 125.50         |
| <b>Total amount recognised in Statement of P&amp;L</b>                    | <b>296.22</b> | <b>291.44</b>  |
| <b>Remeasurement of the net defined benefit liability :</b>               |               |                |
| Return on plan assets excluding amounts included in Interest Income       | (54.36)       | 14.59          |
| Change in Financial Assumptions   | 29.70         | (95.27)        |
| Experience Adjustments  | 86.77         | 54.08          |
| <b>Total Expenses / (Income) recognised in Other Comprehensive Income</b> | <b>62.11</b>  | <b>(26.60)</b> |

### Investment pattern for Fund as on

| Category of Asset                 | As at 31st March 2024 | As at 31st March 2023 |
|-----------------------------------|-----------------------|-----------------------|
| 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%                    |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Category of Asset      | As at<br>31st March 2024 | As at<br>31st March 2023 |
|------------------------|--------------------------|--------------------------|
| Special Deposit Scheme | 0%                       | 0%                       |
| Policy of insurance    | 100%                     | 100%                     |
| Bank Balance           | 0%                       | 0%                       |
| Other Investments      | 0%                       | 0%                       |
| <b>Total</b>           | <b>100%</b>              | <b>100%</b>              |

### 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  | As at<br>31st March, 2024                             | As at<br>31st March, 2023                             |
|------------------------|---|---|
| Discount rate          | 7.20% p.a   | 7.40%   |
| Salary escalation rate | 5% p.a  | 5% p.a  |
| Withdrawal Rates       | 2% at younger<br>ages reducing to<br>1% at older ages | 2% at younger<br>ages reducing to<br>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<br>31st March, 2024             | As at<br>31st March, 2023             |
|--|---------------------------------------|---------------------------------------|
|  | Increase/<br>Decrease in<br>liability | Increase/<br>Decrease in<br>liability |
| <b>Discount rate varied by 0.5%</b>      |                                       |                                       |
| 0.50%                                    | 2,265.63                              | 2,274.27                              |
| -0.50%                                   | 2,416.40                              | 2,441.06                              |
| <b>Salary growth rate varied by 0.5%</b> |                                       |                                       |
| 0.50%                                    | 2,417.12                              | 2,442.14                              |
| -0.50%                                   | 2,264.38                              | 2,272.64                              |

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.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

The expected future cash flows as at 31st March 2024 & as at 31st March 2023 were as follows:

| Expected contribution  | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|--|---------------------------|---------------------------|
| <b>Projected benefits payable in future years from the date of reporting</b> |                           |                           |
| 1st following year   | 685.97                    | 574.20                    |
| 2nd following year   | 99.45                     | 128.56                    |
| 3rd following year   | 268.10                    | 113.59                    |
| 4th following year   | 151.18                    | 264.56                    |
| 5th following year   | 201.96                    | 164.30                    |
| Years 6 to 10  | 844.10                    | 948.89                    |

### [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<br>31-Mar-24    | As at<br>31-Mar-23 |
| Present value of unfunded obligations     | 490.08                | 458.53             |
| <b>Net (Asset) / Liability recognised</b> | <b>490.08</b>         | <b>458.53</b>      |

#### Reconciliation of balances of Defined Benefit Obligations.

|   | Leave Encashment - Unfunded |               |
|---|-----------------------------|---------------|
|   | 2023-2024                   | 2022-2023     |
| <b>Defined Obligations at the beginning of the year</b>       | <b>458.53</b>               | <b>471.83</b> |
| Current Service Cost  | 69.65                       | 43.49         |
| Interest Cost   | 31.43                       | 30.22         |
| Actuarial loss/(gain) due to change in financial assumptions  | 9.00                        | (25.05)       |
| Actuarial loss/ (gain) due to experience adjustments          | 21.12                       | (15.43)       |
| Benefits paid   | (99.65)                     | (46.53)       |
| <b>Defined Obligations at the end of the year</b>             | <b>490.08</b>               | <b>458.53</b> |
| <b>Amount recognised in Statement of Profit and Loss</b>      |                             |               |
|   | 2023-2024                   | 2022-2023     |
| Current Service Cost  | 69.65                       | 43.49         |
| Net Interest Cost   | 31.43                       | 30.22         |
| Net value of remeasurements on the obligation and plan assets | 30.12                       | (40.48)       |
| <b>Total amount recognised in Statement of P&amp;L</b>        | <b>131.20</b>               | <b>33.23</b>  |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

|                                  | 2023-2024    | 2022-2023      |
|----------------------------------|--------------|----------------|
| Change in Financial Assumptions  | 9.00         | (25.05)        |
| Experience gains/(losses)        | 21.12        | (15.43)        |
| <b>Net Actuarial Loss/(Gain)</b> | <b>30.12</b> | <b>(40.48)</b> |

### Major Actuarial Assumptions

|                                  | 2023-2024                                       | 2022-2023                                       |
|----------------------------------|---|---|
| Discount Rate (%)                | 7.20% p.a                                       | 7.4% 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 |

### 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<br>31st March, 2024             | As at<br>31st March, 2023             |
|--|---------------------------------------|---------------------------------------|
|  | Increase/<br>Decrease in<br>liability | Increase/<br>Decrease in<br>liability |
| <b>Discount rate varied by 0.5%</b>      |                                       |                                       |
| 0.50%                                    | 468.15                                | 437.70                                |
| -0.50%                                   | 514.01                                | 481.20                                |
| <b>Salary growth rate varied by 0.5%</b> |                                       |                                       |
| 0.50%                                    | 514.41                                | 481.63                                |
| -0.50%                                   | 467.61                                | 437.15                                |

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 2024 & as at 31st March 2023 were as follows:

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| <b>Projected benefits payable in future years from the date of reporting</b> |                          |                          |
| 1st following year   | 88.07                    | 67.43                    |
| 2nd following year   | 21.02                    | 28.37                    |
| 3rd following year   | 44.74                    | 22.54                    |
| 4th following year   | 34.81                    | 47.76                    |
| 5th following year   | 31.97                    | 37.71                    |
| Years 6 to 10  | 164.26                   | 164.29                   |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 35 : 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.

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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Segment Revenue</b>  |                               |                               |
| a. Drum Closures Division   | 47,481.30                     | 47,196.99                     |
| b. Scaffoldings Division  | 78,132.22                     | 94,388.23                     |
| c. Yarn Division  | 30,656.65                     | 33,412.89                     |
| d. Fabric Division  | 16,164.90                     | 17,365.57                     |
| <b>Total</b>  | <b>172,435.07</b>             | <b>192,363.68</b>             |
| Less : Inter Segment Revenue  | 8,153.55                      | 9,854.66                      |
| <b>Total External Revenue from Continuing operations</b>                  | <b>164,281.52</b>             | <b>182,509.02</b>             |
| <b>Discontinued Operations</b>  |                               |                               |
| Power Division  | -                             | -                             |
| Less : Inter Segment Revenue  | -                             | -                             |
| <b>Total External Revenue from Discounted Operations</b>                  | <b>-</b>                      | <b>-</b>                      |
| <b>Total External Revenue from Continuing &amp; Discounted Operations</b> | <b>164,281.52</b>             | <b>182,509.02</b>             |
| <b>Results</b>  |                               |                               |
| <b>Segment Result</b>   |                               |                               |
| a. Drum Closures Division   | 16,804.52                     | 15,127.43                     |
| b. Scaffoldings Division  | 8,917.14                      | 14,688.42                     |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Year Ended<br>31st March 2024     | Year Ended<br>31st March 2023     |
|---|-----------------------------------|-----------------------------------|
| c. Yarn Division  | (390.64)                          | (1,777.97)                        |
| d. Fabric Division  | (1,072.46)                        | (1,400.82)                        |
| <b>Segment operating Profit of Continuing Operations</b>                            | <b>24,258.56</b>                  | <b>26,637.06</b>                  |
| <b>Reconciliation of Profit</b>   |                                   |                                   |
| <b>Unallocable Income / ( Expenses)</b>   |                                   |                                   |
| Employee benefit Expenses   | (953.16)                          | (924.44)                          |
| Depreciation & Amortisation   | (257.93)                          | (65.33)                           |
| Other Expenses  | (1,033.71)                        | (1,305.56)                        |
| Interest Income   | 987.68                            | 464.66                            |
| Net Gain on Investments & Investment Property                                       | 2,538.85                          | 1,590.25                          |
| Rental Income   | 247.81                            | 113.40                            |
| Other Income  | 549.61                            | 517.48                            |
| <b>Operating Profit</b>   | <b>26,337.71</b>                  | <b>27,027.52</b>                  |
| <b>Less</b>   |                                   |                                   |
| <b>Finance Cost</b>   | 3,007.40                          | 2,251.96                          |
| <b>Net Profit before Tax &amp; Exceptional Items from Continuing Operations</b>     | <b>23,330.31</b>                  | <b>24,775.56</b>                  |
| Exceptional Items ( Refer Note No 26)   | 875.58                            | -                                 |
| <b>Net Profit before Tax but After Exceptional Items From Continuing Operations</b> | <b>22,454.73</b>                  | <b>24,775.56</b>                  |
| <b>Less</b>   |                                   |                                   |
| Current Income Tax Expenses   | 5,111.00                          | 6,828.59                          |
| Deferred Tax Expenses (net)   | 431.49                            | (544.90)                          |
| Tax Adjustment of Earlier Years   | (7.58)                            | (151.72)                          |
| <b>Net Profit After Tax from Continuing Operations</b>                              | <b>16,919.82</b>                  | <b>18,643.59</b>                  |
| Net Profit After Tax from Discontinued Operations -Power Division                   | (51.36)                           | 374.16                            |
| <b>Net Profit After Tax from Continuing &amp; Discontinued Operations</b>           | <b>16,868.46</b>                  | <b>19,017.75</b>                  |
|   | <b>As at<br/>31st March, 2024</b> | <b>As at<br/>31st March, 2023</b> |
| <b>Segment Assets of Continuing Operations</b>                                      |                                   |                                   |
| a. Drum Closures Division   | 26,520.48                         | 24,292.97                         |
| b. Scaffoldings Division  | 69,921.47                         | 85,044.88                         |
| c. Yarn Division  | 26,912.89                         | 29,552.25                         |
| d. Fabric Division  | 10,944.99                         | 11,344.36                         |
| <b>Segment Operating Assets</b>   | <b>134,299.83</b>                 | <b>150,234.46</b>                 |
| <b>Reconciliation of Segment Operating assets to Total Assets</b>                   |                                   |                                   |
| <b>Non Current Assets</b>   |                                   |                                   |
| Property, Plant & Equipment   | 2,067.45                          | 1,858.88                          |
| Capital Work in Progress  | 78.90                             | 78.90                             |
| Investment Properties   | 725.59                            | 762.68                            |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

|   | As at<br>31st March, 2024 | As at<br>31st March, 2023 |
|---|---------------------------|---------------------------|
| Intangible Assets   | 5.61                      | 4.69                      |
| Non Current Investments   | 53,259.75                 | 29,519.46                 |
| Loans   | 150.00                    | 438.74                    |
| Other Financial Assets  | 104.42                    | 2,731.33                  |
| Other Non Current Assets  | 33.00                     | 215.37                    |
| <b>Current Assets</b>   |                           |                           |
| Current Investments   | 1,145.01                  | 629.94                    |
| Cash & Cash Equivalent  | 3,360.99                  | 2,126.46                  |
| Other Bank Balances   | 2,591.22                  | 53.41                     |
| Loans   | -                         | 2,609.03                  |
| Other Financial Assets  | 2,476.16                  | 1,001.60                  |
| Current Tax Assets (Net)  | 419.62                    | -                         |
| Other Current Assets  | 695.42                    | 855.32                    |
| <b>Unallocable Assets</b>   | <b>67,113.14</b>          | <b>42,885.81</b>          |
| Total Assets of Continuing Operations                                       | 201,412.97                | 193,120.27                |
| Total Assets of Discontinued Operations -Power Division                     | -                         | 481.73                    |
| <b>Total Assets</b>   | <b>201,412.97</b>         | <b>193,602.00</b>         |
| Segment Liabilities of Continuing Operations                                |                           |                           |
| a. Drum Closures Division   | 7,230.24                  | 5,575.07                  |
| b. Scaffoldings Division  | 10,430.32                 | 9,926.05                  |
| c. Yarn Division  | 4,435.92                  | 3,005.59                  |
| d. Fabric Division  | 2,582.89                  | 1,589.27                  |
| <b>Segment Operating Liabilities</b>  | <b>24,679.37</b>          | <b>20,095.98</b>          |
| <b>Reconciliation of Segment Operating Liabilities to Total Liabilities</b> |                           |                           |
| <b>Non Current Liabilities</b>  |                           |                           |
| Non Current Borrowings  | -                         | 2,953.38                  |
| Other Financial Liabilities   | 52.95                     | 23.82                     |
| Deferred Tax Liability (net)  | 849.56                    | 450.98                    |
| Provisions  | 1,597.67                  | 1,760.90                  |
| <b>Current Liabilities</b>  |                           |                           |
| Current Borrowings  | 38,919.86                 | 48,929.11                 |
| Other Financial Liabilities   | 421.16                    | 721.87                    |
| Provisions  | 167.40                    | 168.37                    |
| Current Tax Liabilities (net)   | -                         | 525.60                    |
| Other Current Liabilities   | 15.02                     | 24.85                     |
| <b>Unallocable Liabilities</b>  | <b>42,023.62</b>          | <b>55,558.88</b>          |
| <b>Total Liabilities of Continuing Operations</b>                           | <b>66,702.99</b>          | <b>75,654.86</b>          |
| <b>Total Liabilities of Discontinued Operations-Power Division</b>          | <b>-</b>                  | <b>59.14</b>              |
| <b>Total Liabilities</b>  | <b>66,702.99</b>          | <b>75,714.00</b>          |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| <b>Capital Expenditure (excluding CWIP)</b>                                 | <b>Year Ended<br/>31st March 2024</b> | <b>Year Ended<br/>31st March 2023</b> |
|---|---------------------------------------|---------------------------------------|
| a. Drum Closures Division   | 1,153.56                              | 779.38                                |
| b. Scaffoldings Division  | 2,626.61                              | 2,308.81                              |
| c. Yarn Division  | 4,791.54                              | 347.38                                |
| d. Fabric Division  | 346.28                                | 1,222.41                              |
| e. Unallocable  | 430.87                                | 1,651.45                              |
| <b>Total Capital Expenditure of Continuing Operations</b>                   | <b>9,348.86</b>                       | <b>6,309.43</b>                       |
| <b>Total Capital Expenditure of Discontinued Operations -Power Division</b> | <b>-</b>                              | <b>-</b>                              |
| <b>Total</b>  | <b>9,348.86</b>                       | <b>6,309.43</b>                       |

| <b>Depreciation &amp; Amortization</b>  | <b>Year Ended<br/>31st March 2024</b> | <b>Year Ended<br/>31st March 2023</b> |
|---|---------------------------------------|---------------------------------------|
| <b>Continuing Operations</b>  |                                       |                                       |
| a. Drum Closures Division   | 662.18                                | 602.52                                |
| b. Scaffoldings Division  | 1,306.07                              | 1097.59                               |
| c. Yarn Division  | 2,074.81                              | 2514.9                                |
| d. Fabric Division  | 1,052.46                              | 1079.17                               |
| e. Unallocable  | 257.93                                | 65.33                                 |
| <b>Total Depreciation &amp; Amortisation of Continuing Operations</b>                   | <b>5,353.45</b>                       | <b>5,359.51</b>                       |
| <b>Total Depreciation &amp; Amortisation of Discontinued Operations -Power Division</b> | <b>-</b>                              | <b>-</b>                              |
| <b>Total</b>  | <b>5,353.45</b>                       | <b>5,359.51</b>                       |

**Secondary Segment**

**Geographic Information**

| <b>Revenue from External Customers</b>                                      | <b>Year Ended<br/>31st March 2024</b> | <b>Year Ended<br/>31st March 2023</b> |
|---|---------------------------------------|---------------------------------------|
| <b>Continuing Operations</b>  |                                       |                                       |
| India   | 68,329.81                             | 70,106.88                             |
| Outside India   | 95,951.71                             | 112,402.14                            |
| <b>Total External Revenue from Continuing Operations</b>                    | <b>164,281.52</b>                     | <b>182,509.02</b>                     |
| <b>Discontinued Operations -Power Division</b>                              |                                       |                                       |
| India   | -                                     | -                                     |
| Outside India   | -                                     | -                                     |
| <b>Total External Revenue from Discontinued Operations</b>                  | <b>-</b>                              | <b>-</b>                              |
| <b>Total External Revenue from Continuing &amp; Discontinued Operations</b> | <b>164,281.52</b>                     | <b>182,509.02</b>                     |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Non Current Operating Assets   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--------------------------------|--------------------------|--------------------------|
| <b>Continuing Operations</b>   |                          |                          |
| India                          | 36,501.79                | 38,204.33                |
| Outside India                  | -                        | -                        |
| <b>Total (I)</b>               | <b>36,501.79</b>         | <b>38,204.33</b>         |
| <b>Discontinued Operations</b> |                          |                          |
| India                          | -                        | -                        |
| Outside India                  | -                        | -                        |
| <b>Total (II)</b>              | <b>-</b>                 | <b>-</b>                 |
| <b>Total (I+II)</b>            | <b>36,501.79</b>         | <b>38,204.33</b>         |

Non Current Assets for this purpose consists of Property, Plant and Equipment, Investment properties, Intangible assets and Capital work in Progress

### Note 36: 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 2024  | Carrying Value          |                                   |                   |           | Fair value |         |         |           |
|--|-------------------------|-----------------------------------|-------------------|-----------|------------|---------|---------|-----------|
|  | Mandatorily<br>at FVTPL | FVTOCI -<br>designated<br>as such | Amortised<br>Cost | Total     | Level 1    | Level 2 | Level 3 | Total     |
| <b>Financial assets measured at<br/>fair value through Profit and<br/>loss :</b> |                         |                                   |                   |           |            |         |         |           |
| <b>Non-current :</b>   |                         |                                   |                   |           |            |         |         |           |
| Investment In Mutual Funds   | 28,380.24               | -                                 | -                 | 28,380.24 | 28,380.24  | -       | -       | 28,380.24 |
| <b>Current :</b>   |                         |                                   |                   |           |            |         |         |           |
| Investment In Mutual Funds   | 1,005.51                | -                                 | -                 | 1,005.51  | 1,005.51   | -       | -       | 1,005.51  |
| Investment in Quoted Equity<br>Instruments                                       | 139.50                  | -                                 | -                 | 139.50    | 139.50     | -       | -       | 139.50    |
| <b>Financial assets at amortised<br/>cost</b>                                    |                         |                                   |                   |           |            |         |         |           |
| <b>Non-current :</b>   |                         |                                   |                   |           |            |         |         |           |
| Loan to Subsidiaries   |                         |                                   | 150.00            | 150.00    |            |         |         |           |
| Deposits   | -                       | -                                 | 517.79            | 517.79    | -          | -       | -       | -         |
| <b>Current :</b>   |                         |                                   |                   |           |            |         |         |           |
| Deposits   | -                       | -                                 | 79.79             | 79.79     | -          | -       | -       | -         |
| Loan to Subsidiaries   | -                       | -                                 | -                 | -         | -          | -       | -       | -         |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| 31st March 2024                                | Carrying Value       |                             |                  |                  | Fair value       |          |          |                  |
|--|----------------------|-----------------------------|------------------|------------------|------------------|----------|----------|------------------|
|  | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost   | Total            | Level 1          | Level 2  | Level 3  | Total            |
| Loan to Employees                              | -                    | -                           | 115.02           | 115.02           | -                | -        | -        | -                |
| Cash and cash equivalents                      | -                    | -                           | 5,904.75         | 5,904.75         | -                | -        | -        | -                |
| Other Bank Balances                            | -                    | -                           | 3,788.58         | 3,788.58         | -                | -        | -        | -                |
| Trade receivables                              | -                    | -                           | 50,012.72        | 50,012.72        | -                | -        | -        | -                |
| Others   | -                    | -                           | 3,076.90         | 3,076.90         | -                | -        | -        | -                |
|  | <b>29,525.25</b>     | <b>-</b>                    | <b>63,645.55</b> | <b>93,170.80</b> | <b>29,525.25</b> | <b>-</b> | <b>-</b> | <b>29,525.25</b> |
| <b>Financial liabilities at amortised cost</b> |                      |                             |                  |                  |                  |          |          |                  |
| <b>Non Current</b>                             |                      |                             |                  |                  |                  |          |          |                  |
| Term loans                                     | -                    | -                           | -                | -                | -                | -        | -        | -                |
| Deposits                                       | -                    | -                           | 52.95            | 52.95            | -                | -        | -        | -                |
| <b>Current</b>                                 |                      |                             |                  |                  |                  |          |          |                  |
| Borrowings                                     | -                    | -                           | 38,919.86        | 38,919.86        | -                | -        | -        | -                |
| Trade and Other Payables                       | -                    | -                           | 13,376.70        | 13,376.70        | -                | -        | -        | -                |
| Deposits                                       | -                    | -                           | 306.95           | 306.95           | -                | -        | -        | -                |
| Other Current Financial Liabilities            | -                    | -                           | 3,107.14         | 3,107.14         | -                | -        | -        | -                |
|  | <b>-</b>             | <b>-</b>                    | <b>55,763.60</b> | <b>55,763.60</b> | <b>-</b>         | <b>-</b> | <b>-</b> | <b>-</b>         |

| 31st March 2023  | Carrying Value       |                             |                |           | Fair value |         |         |           |
|--|----------------------|-----------------------------|----------------|-----------|------------|---------|---------|-----------|
|  | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost | Total     | Level 1    | Level 2 | Level 3 | Total     |
| <b>Financial assets measured at fair value through Profit and loss :</b> |                      |                             |                |           |            |         |         |           |
| <b>Non-current :</b>   |                      |                             |                |           |            |         |         |           |
| Investment In Mutual Funds   | 25,667.57            | -                           | -              | 25,667.57 | 25,667.57  | -       | -       | 25,667.57 |
| <b>Current :</b>   |                      |                             |                |           |            |         |         |           |
| 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    |
| <b>Financial assets at amortised cost</b>                                |                      |                             |                |           |            |         |         |           |
| <b>Non-current :</b>   |                      |                             |                |           |            |         |         |           |
| Loan to Subsidiary   | -                    | -                           | 438.74         | 438.74    | -          | -       | -       | -         |
| Deposits   | -                    | -                           | 3,113.68       | 3,113.68  | -          | -       | -       | -         |
| <b>Current :</b>   |                      |                             |                |           |            |         |         |           |
| Deposits   | -                    | -                           | 163.56         | 163.56    | -          | -       | -       | -         |
| Loan to Subsidiaries   | -                    | -                           | 2,609.03       | 2,609.03  | -          | -       | -       | -         |
| Loan to Employees  | -                    | -                           | 112.00         | 112.00    | -          | -       | -       | -         |





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ 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            |
| 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          | -                | -       | -       | -                |
|  | <b>26,297.51</b>     | -                           | <b>81,648.96</b> | <b>107,946.47</b> | <b>26,297.51</b> | -       | -       | <b>26,297.51</b> |
| <b>Financial liabilities at amortised cost</b> |                      |                             |                  |                   |                  |         |         |                  |
| <b>Non Current</b>                             |                      |                             |                  |                   |                  |         |         |                  |
| Term loans                                     | -                    | -                           | 2,953.38         | 2,953.38          | -                | -       | -       | -                |
| Deposits                                       | -                    | -                           | 23.82            | 23.82             | -                | -       | -       | -                |
| <b>Current</b>                                 |                      |                             |                  |                   |                  |         |         |                  |
| 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          | -                | -       | -       | -                |
|  | -                    | -                           | <b>69,195.25</b> | <b>69,195.25</b>  | -                | -       | -       | -                |

During the reporting period ended March 31, 2024 and March 31, 2023, there were no transfers between level 1 and level 2 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 investments which are quoted, are derived from quoted market prices in active markets.

### Note 37 : 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



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### 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 31 (contingent liabilities).

#### Ageing of Account receivables

| Particulars        | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--------------------|--------------------------|--------------------------|
| Not due            | 26,803.37                | 29,122.91                |
| Less than 6 Months | 17,407.94                | 26,174.10                |
| 6 Months -1 year   | 3,028.20                 | 5,285.36                 |
| 1-2 years          | 2,751.75                 | 81.39                    |
| 2-3 years          | 21.46                    | 18.31                    |
| More than 3 years  | -                        | -                        |
| <b>Total</b>       | <b>50,012.72</b>         | <b>60,682.07</b>         |

### 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.



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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 2024

| Particulars                                  | USD           | EURO         | SGD         | GBP         | AUD           | JPY      | CHF      | AED      | NZD         |
|--|---------------|--------------|-------------|-------------|---------------|----------|----------|----------|-------------|
| Trade Payables / Other Financial Liabilities | (7.81)        | (2.25)       | -           | -           | (0.05)        | -        | -        | -        | -           |
| Trade Receivables / Other Financial Assets   | 258.59        | 79.14        | 0.07        | 2.11        | -             | -        | -        | -        | 0.03        |
| Advances from Customers                      | (2.61)        | (0.24)       | -           | -           | -             | -        | -        | -        | -           |
| Bank Balances                                | 1.76          | 2.43         | -           | -           | -             | -        | -        | -        | -           |
| <b>Net</b>                                   | <b>249.93</b> | <b>79.08</b> | <b>0.07</b> | <b>2.11</b> | <b>(0.05)</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>0.03</b> |

##### As as 31st March 2023

| 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 Balances                                | 50.09         | 2.03         | -             | -           | -             | -           | -           | -             | -           |
| <b>Net</b>                                   | <b>529.04</b> | <b>84.30</b> | <b>(0.08)</b> | <b>2.41</b> | <b>(7.79)</b> | <b>5.60</b> | <b>0.03</b> | <b>(5.77)</b> | <b>2.72</b> |

#### 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                            | 2023-2024     |                 | 2022-2023     |                 |
|--|---------------|-----------------|---------------|-----------------|
|  | 1% increase   | 1% Decrease     | 1% increase   | 1% Decrease     |
| USD                                    | 208.47        | (208.47)        | 434.71        | (434.71)        |
| EURO                                   | 71.08         | (71.08)         | 75.40         | (75.40)         |
| GBP                                    | 2.22          | (2.22)          | 2.40          | (2.40)          |
| Ohers                                  | 0.03          | (0.03)          | (4.16)        | 4.16            |
| <b>Increase / (Decrease) in Profit</b> | <b>281.80</b> | <b>(281.80)</b> | <b>508.34</b> | <b>(508.34)</b> |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### 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 Treasury Bills rates/SOFR 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<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| *Borrowings Bearing Variable rate of Interest     | 19.99                    | 4,811.11                 |
| Borrowings bearing Fixed Rate of Interest         | 38,899.87                | 47,071.38                |
| <b>Total Borrowings</b>                           | <b>38,919.86</b>         | <b>51,882.49</b>         |
| % of Borrowings bearing Variable rate of Interest | <b>0.05</b>              | <b>9.27</b>              |

\* 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              | 2023-2024 | 2022-2023 |
|--------------------------|-----------|-----------|
| 100 Basis Point Increase | (0.20)    | (48.11)   |
| 100 Basis Point Decrease | 0.20      | 48.11     |

**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, 2024

|   | 0-1 years        | 1-5 years | Beyond 5<br>years | Total            |
|---|------------------|-----------|-------------------|------------------|
| Long term borrowings (Including current maturity of long term debt) | 19.99            | -         | -                 | 19.99            |
| Short term borrowings   | 38,899.87        | -         | -                 | 38,899.87        |
| <b>Total</b>  | <b>38,919.86</b> | <b>-</b>  | <b>-</b>          | <b>38,919.86</b> |



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### 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        |
| <b>Total</b>  | <b>48,929.11</b> | <b>2,953.38</b> | <b>-</b>       | <b>51,882.49</b> |

### Maturity patterns of other Financial Liabilities

#### As at 31st March, 2024

|   | 0-1 years        | 1-5 years    | Beyond 5 years | Total            |
|---|------------------|--------------|----------------|------------------|
| Trade Payables                                      | 13,376.70        | -            | -              | 13,376.70        |
| Other Financial Liabilities (Current & Non Current) | 3,414.09         | 52.95        | -              | 3,467.04         |
| <b>Total</b>  | <b>16,790.79</b> | <b>52.95</b> | <b>-</b>       | <b>16,843.74</b> |

#### 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         |
| <b>Total</b>  | <b>17,288.94</b> | <b>23.82</b> | <b>-</b>       | <b>17,312.76</b> |

### Note 38 : 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 2024 | As at 31st March 2023 |
|---------------------------------|-----------------------|-----------------------|
| Net Debt *                      | 33,015.11             | 39,604.86             |
| Total Equity                    | 134,709.98            | 117,888.00            |
| <b>Net Debt to Total Equity</b> | <b>0.25</b>           | <b>0.34</b>           |

\*Net Debt= Non Current Borrowings +Current Borrowings -Cash & Cash Equivalents



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 39: Ratio Analysis and its elements

| Ratio                           | Numerator   | Denominator  |       | 31st March 2024 | 31st March 2023 | Variance % | Explanation for Variance |
|---------------------------------|---|--|-------|-----------------|-----------------|------------|--------------------------|
| Current Ratio                   | Current Assets                                      | Current Liabilities  | Times | 1.76            | 1.74            | 1.09       | -                        |
| Debt Equity Ratio               | Total Debt  | Share holder Equity  | Times | 0.29            | 0.44            | -34.34     | Refer Note a             |
| Debt Service Coverage Ratio     | Earnings for Debt Service                           | Debt Service   | Times | 11.34           | 8.45            | 34.19      | Refer Note b             |
| Return on Equity                | Net Profit after Tax                                | Average Shareholder Equity   | %     | 13.36           | 16.18           | -17.45     |                          |
| Inventory Turnover Ratio        | Cost of Goods Sold                                  | Average Inventory  | Times | 3.67            | 4.19            | -12.30     |                          |
| Trade Receivable Turnover Ratio | Revenue from Operations                             | Average Trade Receivables  | Times | 2.97            | 3.32            | -10.60     |                          |
| Trade Payables Turnover Ratio   | Net Purchases                                       | Average Trade Payables   | Times | 8.61            | 9.57            | -9.99      |                          |
| Net Capital Turnover Ratio      | Revenue from Operations                             | Working capital  | Times | 3.54            | 3.55            | -0.27      |                          |
| Net Profit Ratio                | Net Profit after tax                                | Revenue from Operations  | %     | 10.27           | 10.42           | -1.46      | -                        |
| Return on capital employed      | Earnings before Interest & Taxes                    | Capital Employed   | %     | 14.55           | 16.11           | -9.71      | -                        |
| 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) | %     | 11.10           | 3.94            | 181.73     | Refer Note c             |

#### Note

##### I. Explanation for Change in ratio by more than 25% as compared to preceding year

- Decrease in Debt Equity Ratio is due to Reduction in Borrowings in the current year as compared to the Previous year .
- Increase in Debt Service Coverage Ratio due to Lower amount of Principal Repayment of Long Term Liabilities within one year as compared to previous year
- Market Dynamics



## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

- 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

### Note 40 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

| Particulars |  | 2023-24   | 2022-2023  |
|-------------|--|---|--|
| a)          | Amount required to be spent by the Company during the year   | 399.75  | 334.53   |
| b)          | Amount of expenditure incurred   | 274.00  | 439.00   |
| c)          | Shortfall / (Excess) Amount at the beginning of the year   | (250.00)  | (149.60)   |
| d)          | Shortfall / (Excess) Amount at the end of the year   |   | (250.00)   |
| e)          | Total of Previous Year Shortfall   | -   | -  |
| f)          | Reason for Shortfall   | -   | -  |
| g)          | Nature of CSR activities   | Contribution to Indian Institute of Technology (IIT) & Vivek Vyas peeth | 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 10) | 124.00  | 250.00   |
| j)          | Amount debited in the statement of Profit & Loss Account (Refer Note No 26)  | 400.00  | 338.60   |

### Note 41 : 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 gaurantee, security or the like to or on behalf of the Ultimate Beneficiaries.





## Notes to the Standalone Financial Statements for the year ended 31st March, 2024

- (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.

### 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
- 3) Note 1 to 42 Forms an Intergral 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

#### Dr. Sharad Kumar Saraf

Chairman & Managing Director

DIN 00035843

#### Sudarshan Kumar Saraf

Co-Chairman & Managing Director

DIN 00035799

Place: Mumbai

Date : 29th May, 2024

#### Neeraj Rai

Company Secretary

#### Navneet Kumar Saraf

Whole-time Director & CEO

DIN 00035686

#### Ashish Kumar Saraf

Whole-time Director & CFO

DIN 00035549



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## 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 2024, 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 2024, 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 2024. 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 consolidated Ind AS financial statements.



| Key Audit Matters   | How our audit addressed the key audit matter  |
|---|---|
| <p><b>1. Revenue Recognition (Refer to the accounting policies in Note 2 to the Ind AS Financial statements)</b></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 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 2024 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**

We did not audit the financial statement of **One** Material Subsidiary, whose financial statement reflects total assets of Rs. 42,024.41 Lakhs (before eliminating inter-company balances) as at 31st March 2024, total revenues of Rs. 47,602.36 Lakhs (before eliminating inter-company balances) total net profit (loss) after tax of Rs. 5,180.85 Lakhs (before eliminating inter-company balances), total comprehensive income (loss) of Rs. 5,180.85 Lakhs (before eliminating inter-company balances) and net cash inflow of Rs. 385.64 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. 6,614.96 Lakhs (before eliminating inter-company balances) as at 31st March 2024, total revenues of Rs. 7,315.16 Lakhs (before eliminating inter-company balances) total net profit (loss) after tax of Rs. 423.35 Lakhs (before eliminating inter-company balances), total comprehensive income (loss) of Rs. 423.35 Lakhs (before eliminating inter-company balances) and net cash outflow of Rs. 127.48 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 **Ten** subsidiaries, whose financial statements reflects total assets of Rs. 52,289.74 Lakhs (before eliminating inter-company balances) as at 31st March 2024, total revenues of Rs. 24,401.81 Lakhs (before eliminating inter-company balances) total net profit after tax of Rs. 4,909.91 Lakhs (before eliminating inter-company balances), total comprehensive income of Rs. 4,868.56 Lakhs (before eliminating inter-company balances) and net cash outflow of Rs. 153.46 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 **Ten** subsidiaries, whose financial information's reflects total assets of Rs. 21,436.51 Lakhs (before eliminating inter-company balances) as at 31st March 2024, total revenue of Rs. 34,431.47 Lakhs (before eliminating inter-company balances), total net profit after tax of Rs. 2,567.37 Lakhs (before eliminating inter-company balances), total comprehensive income of Rs. 2,567.37 Lakhs (before eliminating inter-company balances) and net cash inflow of Rs. 1,069.98 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.(0.40) Lakhs (before eliminating inter-company balances), total comprehensive income of Rs.(0.40) Lakhs (before eliminating inter-company balances) as at 31st March 2024, 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" or "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 and its subsidiaries and included in the consolidated 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 except for completeness of Audit Trail (edit log) facility in the accounting software in Indian Subsidiaries and Associates as stated in paragraph h(vi) below on reporting under Rule 11(g);
- (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 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the 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.
- iv. (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 2024 as per section 123 of the Company's Act, 2013. Hence, we have nothing to report in this regard.
- vi. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiaries and associate companies incorporated in India have used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded:
  - a. One subsidiary has failed to maintain books of accounts in software which has a feature of recording audit trail (edit log) facility and accordingly the same has not been operated throughout the year for all relevant transactions recorded in the software.

**For M. L. Sharma & Co.**  
**Firm Reg. No: 109963W**  
**Chartered Accountants**

**Vikash L. Bajaj**  
**Partner**  
**Membership No. 104982**  
**UDIN – 24104982BKELTJ1718**

**Place of Signature: Mumbai**  
**Date: 29th May 2024**



## INDEPENDENT AUDITOR'S REPORT

### **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, 2024. 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, 2024, 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, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For M. L. Sharma & Co.  
Firm Reg. No: 109963W  
Chartered Accountants**

**Vikash L. Bajaj  
Partner  
Membership No. 104982  
UDIN – 24104982BKELTJ1718**

**Place of Signature: Mumbai  
Date: 29th May 2024**



## Consolidated Balance Sheet as at 31st March 2024

| Particulars  | Note No. | (₹ in Lakhs)          |                       |
|--|----------|-----------------------|-----------------------|
|  |          | As at 31st March 2024 | As at 31st March 2023 |
| <b>ASSETS</b>  |          |                       |                       |
| <b>A) Non Current Assets</b>                                       |          |                       |                       |
| a) Property, Plant and Equipment                                   | 3        | 66,828.88             | 41,670.68             |
| b) Capital work-in-progress  | 3        | 1,390.80              | 3,983.31              |
| c) Investment Properties   | 4        | 1,235.15              | 1,341.71              |
| d) Goodwill on Consolidation                                       |          | 4,935.25              | 495.75                |
| e) Other Intangible assets   | 5        | 831.04                | 340.75                |
| f) Financial Assets  |          |                       |                       |
| i) Non Current Investments   | 6(a)     | 35,272.28             | 28,781.85             |
| ii) Others Financial Assets  | 6(b)     | 990.95                | 3,405.30              |
| g) Other Non Current Assets  | 7        | 3,013.74              | 2,162.74              |
| <b>Total Non Current Assets</b>                                    |          | <b>114,498.09</b>     | <b>82,182.09</b>      |
| <b>B) Current Assets</b>   |          |                       |                       |
| a) Inventories   | 8        | 71,429.38             | 78,981.89             |
| b) Financial Assets  |          |                       |                       |
| i) Current Investments   | 6(a)     | 5,684.21              | 4,306.50              |
| ii) Trade receivables  | 6(c)     | 45,393.77             | 41,961.82             |
| iii) Cash and cash equivalents                                     | 6(d)     | 11,708.44             | 16,906.64             |
| iv) Other Bank Balances  | 6(e)     | 4,305.28              | 1,203.77              |
| v) Loans   | 6(f)     | 776.27                | 1,407.49              |
| vi) Other Financial Assets   | 6(b)     | 997.83                | 1,037.97              |
| c) Other Current Assets  | 9        | 11,712.99             | 8,128.97              |
| <b>Total Current Assets</b>  |          | <b>152,008.17</b>     | <b>153,935.05</b>     |
| Assets Classified as held for Sale                                 | 10       | 2,735.53              | 308.44                |
| <b>Total Assets</b>  |          | <b>269,241.79</b>     | <b>236,425.58</b>     |
| <b>EQUITY AND LIABILITIES</b>                                      |          |                       |                       |
| <b>EQUITY</b>  |          |                       |                       |
| a) Equity Share Capital  | 11(a)    | 2,296.17              | 2,296.17              |
| b) Other Equity  | 11(b)    | 165,204.69            | 139,285.55            |
| <b>Equity attributable to equity holders of the parent Company</b> |          | <b>167,500.86</b>     | <b>141,581.72</b>     |
| Non - Controlling interests  |          | 3,875.16              | 2,655.80              |
| <b>Total Equity</b>  |          | <b>171,376.02</b>     | <b>144,237.52</b>     |
| <b>LIABILITIES</b>   |          |                       |                       |
| <b>A) Non Current Liabilities</b>                                  |          |                       |                       |
| <b>a) Financial Liabilities</b>                                    |          |                       |                       |
| i) Non Current Borrowings  | 12(a)    | 12,729.31             | 2,962.87              |
| ii) Other Financial Liabilities                                    | 12(b)    | 228.86                | 129.78                |



## Consolidated Balance Sheet as at 31st March 2024

| Particulars  | Note<br>No. | (₹ in Lakhs)             |                          |
|--|-------------|--------------------------|--------------------------|
|  |             | As at<br>31st March 2024 | As at<br>31st March 2023 |
| b) Provisions  | 13          | 2,896.76                 | 2,372.56                 |
| c) Deferred tax liabilities (Net)  | 14          | 923.80                   | 369.89                   |
| d) Other Non Current Liabilities   | 15          | 3,800.84                 | 397.00                   |
| <b>Total Non Current Liabilities</b>                                     |             | <b>20,579.57</b>         | <b>6,232.10</b>          |
| <b>B) Current Liabilities</b>  |             |                          |                          |
| <b>a) Financial Liabilities</b>  |             |                          |                          |
| i) Current Borrowings  | 12(a)       | 54,777.43                | 62,618.29                |
| ii) Trade payables   | 12(c)       |                          |                          |
| Total outstanding dues of Micro & Small Enterprises                      |             | 180.37                   | 52.10                    |
| Total outstanding dues of creditors other than Micro & Small Enterprises |             | 9026.41                  | 14,416.68                |
| iii) Other Financial Liabilities   | 12(b)       | 6,174.47                 | 3,648.88                 |
| b) Provisions  | 13          | 543.13                   | 241.66                   |
| c) Current Tax Liabilities (Net)   | 16          | 311.80                   | 1,268.65                 |
| d) Other Current Liabilities   | 17          | 6,272.59                 | 3,709.70                 |
| <b>Total Current Liabilities</b>   |             | <b>77,286.20</b>         | <b>85,955.96</b>         |
| <b>Total Equity and Liabilities</b>                                      |             | <b>269,241.79</b>        | <b>236,425.58</b>        |

### 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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**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, 2024

(₹ in lakhs)

| Particulars   | Note No. | Year Ended<br>31st March, 2024 | Year Ended<br>31st March, 2023 |
|---|----------|--------------------------------|--------------------------------|
| <b>Continuing Operations</b>  |          |                                |                                |
| Revenue From Operations   | 18       | 218,162.84                     | 198,453.19                     |
| Other Income  | 19       | 8,990.84                       | 5,036.81                       |
| <b>Total Income</b>   |          | <b>227,153.68</b>              | <b>203,490.00</b>              |
| <b>Expenditure</b>  |          |                                |                                |
| Cost of materials consumed  | 20       | 89,267.67                      | 95,774.51                      |
| Purchases of Stock-in-Trade   |          | 2,667.83                       | 3,068.12                       |
| Changes in inventories of finished Stock, Stock - in -Trade and work - in - progress    | 21       | 7,785.02                       | (19,385.23)                    |
| Employee benefits expenses  | 22       | 28,382.76                      | 21,512.21                      |
| Finance costs   | 23       | 3,966.83                       | 2,793.22                       |
| Depreciation and amortisation expenses  | 24       | 6,768.85                       | 6,401.54                       |
| Other expenses  | 25       | 50,224.05                      | 57,148.10                      |
| <b>Total expenses</b>   |          | <b>189,063.01</b>              | <b>167,312.47</b>              |
| <b>Share of Profit / (Loss) in Associate</b>  |          | <b>(0.40)</b>                  | <b>(0.02)</b>                  |
| <b>Profit before tax &amp; Exceptional items from Continuing Operations</b>             |          | <b>38,090.27</b>               | <b>36,177.51</b>               |
| Exceptional Items   | 26       | 875.58                         | -                              |
| <b>Profit before tax but after Exceptional items from Continuing Operations</b>         |          | <b>37,214.69</b>               | <b>36,177.51</b>               |
| <b>Tax Expenses of Continuing Operations</b>  |          |                                |                                |
| (1) Current tax   | 27       | 8,164.84                       | 9,211.93                       |
| (2) Deferred tax  |          | 800.45                         | (495.58)                       |
| (3) Tax in respect of earlier years   |          | 274.22                         | 6.89                           |
| <b>Total Tax expenses</b>   |          | <b>9,239.51</b>                | <b>8,723.24</b>                |
| <b>Profit after tax from Continuing Operations</b>                                      |          | <b>27,975.18</b>               | <b>27,454.27</b>               |
| <b>Discontinued Operations</b>  |          |                                |                                |
| Profit / (Loss) before tax from discontinued operations                                 | 28       | (68.64)                        | 500.00                         |
| Tax Expenses / (Income ) of discontinued operations                                     |          | (17.28)                        | 125.84                         |
| <b>Profit / (Loss) after tax from discontinued operations</b>                           |          | <b>(51.36)</b>                 | <b>374.16</b>                  |
| <b>Profit for the year after tax from Continuing &amp; Discontinued Operations</b>      |          | <b>27,923.82</b>               | <b>27,828.43</b>               |
| <b>Other Comprehensive Incomes (Net of Taxes)</b>                                       |          |                                |                                |
| <b>(i) Items that will not be reclassified to profit or loss</b>                        |          |                                |                                |
| - Remeasurement of net defined Benefit Plans (net of tax)                               |          | (87.33)                        | 31.54                          |
| <b>Items that will be reclassified to Profit &amp; Loss</b>                             |          |                                |                                |
| Foreign Currency translation  |          | (448.40)                       | (601.10)                       |
| <b>Other Comprehensive Income/ (Loss) for the year (net of tax)</b>                     |          | <b>(535.73)</b>                | <b>(569.56)</b>                |
| <b>Total Comprehensive Income for the year after tax</b>                                |          | <b>27,388.09</b>               | <b>27,258.87</b>               |
| <b>Net Profit for the year attributable to :</b>  |          |                                |                                |
| Equity Holders of Parent  |          | 26,420.47                      | 26,709.66                      |
| Non - Controlling interest  |          | 1,503.35                       | 1,118.77                       |
|   |          | <b>27,923.82</b>               | <b>27,828.43</b>               |
| <b>Total Comprehensive Income attributable to :</b>                                     |          |                                |                                |
| Equity Holders of Parent  |          | 25,919.14                      | 26,275.82                      |
| Non - Controlling interest  |          | 1,468.95                       | 983.05                         |
|   |          | <b>27,388.09</b>               | <b>27,258.87</b>               |
| <b>Earnings per equity share of Face Value of ₹ 10/- each</b>                           |          |                                |                                |
| Basic & Diluted Earnings per Share -Continuing Operations                               | 29       | 115.28                         | 109.43                         |
| Basic & Diluted Earnings per Share -Discontinued Operations                             |          | (0.22)                         | 1.55                           |
| <b>Basic &amp; Diluted Earnings per Share -Continuing &amp; Discontinued Operations</b> |          | <b>115.06</b>                  | <b>110.98</b>                  |

### 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

**(Vikash L Bajaj ) Partner**

M.No :104982

**Place:** Mumbai

**Date :** 29th May, 2024

**Neeraj Rai**

Company Secretary

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

**Dr. 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, 2024

(₹ in lakhs)

| Particulars   | Year Ended<br>31st March, 2024 | Year Ended<br>31st March, 2023 |
|---|--------------------------------|--------------------------------|
| <b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :</b>   |                                |                                |
| Profit after exceptional items but before tax from Continuing operations  | 37,214.69                      | 36,177.51                      |
| Profit after exceptional items but before tax from Discontinued operations  | (68.64)                        | 500.00                         |
| <b>Add / (Less) : Adjustments to reconcile profit before tax to net cash used in operating activities</b>   |                                |                                |
| Share of Loss in Associate  | 0.40                           | 0.02                           |
| Depreciation and amortisation expenses  | 6,768.85                       | 6,401.54                       |
| Provision / (Reversal) of Impairment Loss   | 68.64                          | (500.00)                       |
| Government Grant Income   | (1,252.00)                     | (233.70)                       |
| (Gain) on Sale of Property, Plant and Equipment   | (161.35)                       | (148.35)                       |
| Loss on Sale of Property , Plant and Equipment  | 20.36                          | -                              |
| Unrealised Forex Loss / (gain)  | (347.25)                       | (975.48)                       |
| Interest income   | (700.22)                       | (336.00)                       |
| Interest Expenses   | 3,698.04                       | 2,557.03                       |
| Rental Income   | (389.27)                       | (310.34)                       |
| Net Gain on Sale/fair valuation of Investments through profit & loss  | (4,525.39)                     | (1,909.22)                     |
|   | <b>40,326.86</b>               | <b>41,223.01</b>               |
| <b>Working capital adjustments</b>  |                                |                                |
| (Increase)/ Decrease in Inventories   | 7,948.85                       | (24,015.30)                    |
| (Increase)/ Decrease in Trade Receivables   | (349.86)                       | 4,614.76                       |
| (Increase)/ Decrease in Other Receivables   | (5,057.93)                     | (600.62)                       |
| Increase/ (Decrease) in Trade and Other Payables  | (3,102.09)                     | 1,805.90                       |
|   | <b>39,765.83</b>               | <b>23,027.75</b>               |
| Income Taxes paid   | (9,002.21)                     | (9,432.35)                     |
| <b>Net Cash Inflow/(Outflow) in the course of Operating Activities (A)</b>  | <b>30,763.62</b>               | <b>13,595.40</b>               |
| <b>Net Operating Cash Inflow/(Outflow) from Continuing Operations</b>   | <b>30,644.83</b>               | <b>13,580.42</b>               |
| <b>Net Operating Cash Inflow/(Outflow) from Discontinued Operations</b>   | <b>118.79</b>                  | <b>14.98</b>                   |
| <b>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES :</b>   |                                |                                |
| Purchase of Property, Plant and equipment /Investment Properties / intangible assets including Capital Work in Progress   | (30,710.06)                    | (10,246.98)                    |
| Sale Proceeds of Property ,Plant and equipment  | 529.98                         | 916.55                         |
| Receipt of Capital Subsidy on Property, Plant and Equipment   | 4,254.45                       | -                              |
| Foreign Currency Translation Differences in respect of Property, Plant and Equipment / Investment Properties / Intangible assets including Capital Work In progress | 34.74                          | (238.54)                       |
| Purchase of Investments   | (10,152.26)                    | (26,750.00)                    |
| Acquisition of Subsidiary   | (7,014.60)                     | -                              |
| Proceeds from sale of Investments   | 7,135.59                       | 37,599.84                      |
| Interest received   | 779.34                         | 476.78                         |
| Refund/ (Investment) in bank deposits having original maturity of more than 3 Months  | 260.93                         | (1,077.86)                     |
| Recovery / (Advancement of Loans)   | 643.30                         | 1,236.46                       |
| Rent Received   | 385.49                         | 309.01                         |
| <b>Net Cash Inflow/(Outflow) in the course of Investing Activities (B)</b>  | <b>(33,853.10)</b>             | <b>2,225.26</b>                |





## Consolidated Cash Flow Statement for the year ended March 31, 2024

(₹ in lakhs)

| Particulars   | Year Ended<br>31st March, 2024 | Year Ended<br>31st March, 2023 |
|---|--------------------------------|--------------------------------|
| <b>Net Cash Inflow/(Outflow) in the course of Investing Activities from Continuing Operations</b>   | <b>(34,087.75)</b>             | <b>1,528.15</b>                |
| <b>Net Cash Inflow/(Outflow) in the course of Investing Activities from Discontinued Operations</b> | <b>234.65</b>                  | <b>697.11</b>                  |
| <b>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES :</b>   |                                |                                |
| Net Proceeds / (Repayment ) from Long Term & Short Term Borrowings                                  | 1,836.89                       | 14,950.24                      |
| Interest charges paid   | (3,668.08)                     | (2,537.26)                     |
| Repayment of Lease Liabilities  | (56.04)                        | (17.48)                        |
| Dividend Paid   | (249.59)                       | (123.25)                       |
| Buyback of Equity Shares  | -                              | (15,000.00)                    |
| Tax on Buyback of Equity Shares   | -                              | (3,360.94)                     |
| <b>Net Cash Inflow/(Outflow) in the course of Financing Activities (C)</b>                          | <b>(2,136.82)</b>              | <b>(6,088.69)</b>              |
| <b>Net Cash Inflow/(Outflow) in the course of Financing Activities from Continuing Operations</b>   | <b>(1,782.87)</b>              | <b>(5,377.04)</b>              |
| <b>Net Cash Inflow/(Outflow) in the course of Financing Activities from Discontinued Operations</b> | <b>(353.95)</b>                | <b>(711.65)</b>                |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>                               | <b>(5,226.30)</b>              | <b>9,731.97</b>                |
| Cash and cash equivalents at the beginning of the year  | 16,906.64                      | 7,174.67                       |
| Cash and cash equivalents on acquisition of Subsidiary  | 28.10                          | -                              |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>11,708.44</b>               | <b>16,906.64</b>               |

### 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<br>31-Mar-2024 | As at<br>31-Mar-2023 |
|---|----------------------|----------------------|
| Balances with Banks - In current accounts               | 11,653.30            | 16,859.11            |
| Cash on Hand  | 55.14                | 47.53                |
| <b>Cash and cash equivalents at the end of the year</b> | <b>11,708.44</b>     | <b>16,906.64</b>     |

### 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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**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 , 2024

(₹ in lakhs)

| EQUITY SHARE CAPITAL :  | Balance as at<br>1st April, 2022 | Changes in<br>equity<br>share capital<br>during the year | Balance as at<br>31st March,<br>2023 | Changes in<br>equity<br>share capital<br>during the year | Balance as at<br>31st March,<br>2024 |
|---|----------------------------------|--|--------------------------------------|--|--------------------------------------|
| Paid up Equity Capital (Equity Shares of ₹ 10/- each issued , Subscribed & Fully Paid Up) | 2,446.17                         | 150.00   | 2,296.17                             | -  | 2,296.17                             |

### OTHER EQUITY :

| Particulars  | Other Equity attributable to the Equity Shareholders of Parent Company |                    |                       |                    |                      |   |                   | Non<br>Controlling<br>Interest | Total Other<br>Equity |
|--|--|--------------------|-----------------------|--------------------|----------------------|---|-------------------|--------------------------------|-----------------------|
|  | Capital<br>Redemption<br>Reserve                                       | Capital<br>Reserve | Securities<br>Premium | General<br>Reserve | Retained<br>Earnings | Foreign<br>Currency<br>Translations<br>Reserves | Total             |                                |                       |
| <b>Balance as at 1st April, 2022</b>   | <b>709.01</b>  | <b>76.53</b>       | <b>459.12</b>         | <b>13,632.44</b>   | <b>116,665.70</b>    | <b>(322.13)</b>                                 | <b>131,220.67</b> | <b>1,796.01</b>                | <b>133,016.68</b>     |
| <b>Additions :</b>   |  |                    |                       |                    |                      |   |                   |                                |                       |
| 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)              |
| <b>Balance as at 31st March, 2023</b>  | <b>859.01</b>  | <b>76.53</b>       | <b>459.12</b>         | <b>13,482.44</b>   | <b>125,194.12</b>    | <b>(785.67)</b>                                 | <b>139,285.55</b> | <b>2,655.80</b>                | <b>141,941.35</b>     |
| <b>Additions :</b>   |  |                    |                       |                    |                      |   |                   |                                |                       |
| Profit for the year  | -  | -                  | -                     | -                  | 26,420.47            | -   | 26,420.47         | 1,503.35                       | 27,923.82             |
| Other Comprehensive Income   | -  | -                  | -                     | -                  | (86.29)              | (415.04)  | (501.33)          | (34.40)                        | (535.73)              |
| Dividend Paid  | -  | -                  | -                     | -                  | -                    | -   | -                 | (249.59)                       | (249.59)              |
| <b>Balance as at 31st March, 2024</b>  | <b>859.01</b>  | <b>76.53</b>       | <b>459.12</b>         | <b>13,482.44</b>   | <b>151,528.30</b>    | <b>(1,200.71)</b>                               | <b>165,204.69</b> | <b>3,875.16</b>                | <b>169,079.85</b>     |

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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**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, 2024

### 1. Corporate Information

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 2024.

### 2. Material 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, 2024

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 at 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 differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

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.

Interest Income on all debt instruments measured at amortized cost is recorded using the effective interest rate (EIR).



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

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, 2024

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 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.

### 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 remaining 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, 2024

### 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

### As a Lessor

Leases for which the Group is a Lessor is classified as Finance or operating Lease



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

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.

##### (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



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

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").

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.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

### 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 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.

### 2.21 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.

### 2.22 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 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



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

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.

### **2.23 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.

### **2.24 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 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



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators

### 2.25 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.

### 2.26 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.

### 2.27 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

### 2.28 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

### 2.29 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.

### 2.30 Segments Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

### 2.31 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.

### 2.32 Recent accounting pronouncement

The Group applied for the First time the amendments to Ind AS 8, Ind AS 1 and Ind AS 12 and there is no material impact on the Financials.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Amendment Rules as issued from time to time .For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the group.

### **2.33 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, 2024

### Note 3 : Property, Plant and Equipment

(₹ in Lakhs)

| Particulars  | Leasehold Land | Freehold Land   | Building / Factory Building | Furniture & Fittings | Plant and Machinery | Office Equipments | Computers       | Motor Car & Vehicles | Lease Hold Improvement | Right of Use Assets | Total             | Capital Work in Progress |
|--|----------------|-----------------|-----------------------------|----------------------|---------------------|-------------------|-----------------|----------------------|------------------------|---------------------|-------------------|--------------------------|
| <b>Year Ended 31st March, 2024</b>                               |                |                 |                             |                      |                     |                   |                 |                      |                        |                     |                   |                          |
| <b>Gross Carrying Amount</b>                                     |                |                 |                             |                      |                     |                   |                 |                      |                        |                     |                   |                          |
| Opening 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                 |
| Gross Carrying Amount on acquisition of Subsidiary               | 20.08          | -               | 810.88                      | 38.14                | 1,356.32            | 31.95             | 27.43           | 22.48                | -                      | -                   | 2,307.28          | 94.82                    |
| Adjustments due to Foreign Currency Translations                 | (9.71)         | 31.28           | (35.83)                     | 0.31                 | (92.22)             | (0.10)            | 1.25            | (2.25)               | -                      | -                   | (107.27)          | -                        |
| Additions  | 42.09          | 3,951.46        | 10,312.47                   | 214.85               | 18,785.71           | 125.00            | 501.58          | 98.89                | 92.73                  | 65.51               | 34,190.29         | 22,340.31                |
| Disposals  | -              | -               | 0.54                        | -                    | 301.20              | -                 | 2.05            | 32.02                | -                      | -                   | 335.81            | -                        |
| Transfers  | -              | -               | -                           | -                    | -                   | -                 | -               | -                    | -                      | -                   | -                 | 25,027.64                |
| Transfer to Assets Classified as Held for Sale (Refer Note 10)   | -              | -               | -                           | -                    | 5,242.65            | -                 | -               | -                    | -                      | -                   | 5,242.65          | -                        |
| Transfer from Assets classified as Held for Sale (Refer Note 10) | -              | -               | -                           | -                    | -                   | -                 | -               | 3.17                 | -                      | -                   | 3.17              | -                        |
| <b>Closing Gross Carrying Amount</b>                             | <b>993.66</b>  | <b>4,761.82</b> | <b>33,772.14</b>            | <b>1,067.54</b>      | <b>59,452.70</b>    | <b>787.94</b>     | <b>1,899.65</b> | <b>947.97</b>        | <b>103.21</b>          | <b>120.33</b>       | <b>103,906.96</b> | <b>1,390.80</b>          |
| <b>Accumulated Depreciation</b>                                  |                |                 |                             |                      |                     |                   |                 |                      |                        |                     |                   |                          |
| Opening 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         | -                        |
| Accumulated Depreciation on acquisition of Subsidiary            | 5.53           | -               | 640.50                      | 29.74                | 1,205.78            | 27.13             | 26.78           | 9.34                 | -                      | -                   | 1,944.80          | -                        |
| Adjustments due to Foreign Currency Translations                 | (1.81)         | -               | (15.71)                     | 0.18                 | (45.56)             | 0.04              | 0.92            | (1.80)               | -                      | -                   | (63.74)           | -                        |
| Depreciation charge during the year-Continuing Operations        | 21.80          | -               | 1,414.48                    | 118.16               | 4,232.98            | 116.62            | 341.46          | 168.31               | 1.58                   | 50.93               | 6,466.32          | -                        |
| Disposals  | -              | -               | -                           | -                    | 152.81              | -                 | -               | 28.26                | -                      | -                   | 181.07            | -                        |
| Transfer to Assets Classified as Held for Sale (Refer Note 10)   | -              | -               | -                           | -                    | 2,512.27            | -                 | -               | -                    | -                      | -                   | 2,512.27          | -                        |
| Transfer from Assets Classified as Held for Sale (Refer Note 10) | -              | -               | -                           | -                    | -                   | -                 | -               | 2.77                 | -                      | -                   | 2.77              | -                        |
| <b>Closing Accumulated Depreciation</b>                          | <b>133.45</b>  | <b>5.00</b>     | <b>7,955.42</b>             | <b>573.63</b>        | <b>25,916.98</b>    | <b>584.77</b>     | <b>1,352.00</b> | <b>486.99</b>        | <b>2.59</b>            | <b>67.25</b>        | <b>37,078.08</b>  | -                        |
| <b>Net Carrying Amount</b>                                       | <b>860.21</b>  | <b>4,756.82</b> | <b>25,816.72</b>            | <b>493.91</b>        | <b>33,535.72</b>    | <b>203.17</b>     | <b>547.65</b>   | <b>460.98</b>        | <b>100.62</b>          | <b>53.08</b>        | <b>66,828.88</b>  | <b>1,390.80</b>          |
| <b>Year Ended 31st March, 2023</b>                               |                |                 |                             |                      |                     |                   |                 |                      |                        |                     |                   |                          |
| <b>Gross Carrying Amount</b>                                     |                |                 |                             |                      |                     |                   |                 |                      |                        |                     |                   |                          |
| 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            | -                        |
| <b>Closing Gross Carrying Amount</b>                             | <b>941.20</b>  | <b>779.08</b>   | <b>22,685.16</b>            | <b>814.24</b>        | <b>44,946.74</b>    | <b>631.09</b>     | <b>1,371.44</b> | <b>857.70</b>        | <b>10.48</b>           | <b>54.82</b>        | <b>73,091.95</b>  | <b>3,983.31</b>          |
| <b>Accumulated Depreciation</b>                                  |                |                 |                             |                      |                     |                   |                 |                      |                        |                     |                   |                          |
| 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 / Transfers  | -              | -               | 9.27                        | -                    | 193.73              | -                 | -               | 18.24                | -                      | -                   | 221.24            | -                        |
| Transfers from Investment Property (Refer Note 4)                | -              | -               | 101.12                      | -                    | -                   | -                 | -               | -                    | -                      | -                   | 101.12            | -                        |
| <b>Closing Accumulated Depreciation</b>                          | <b>107.93</b>  | <b>5.00</b>     | <b>5,916.15</b>             | <b>425.55</b>        | <b>23,188.86</b>    | <b>440.98</b>     | <b>982.84</b>   | <b>336.63</b>        | <b>1.01</b>            | <b>16.32</b>        | <b>31,421.27</b>  | -                        |
| <b>Net Carrying Amount</b>                                       | <b>833.27</b>  | <b>774.08</b>   | <b>16,769.01</b>            | <b>388.69</b>        | <b>21,757.88</b>    | <b>190.11</b>     | <b>388.60</b>   | <b>521.07</b>        | -                      | <b>38.50</b>        | <b>41,670.68</b>  | <b>3,983.31</b>          |

#### Notes

- i) All Property, Plant and equipment are held in the name of the Group Except Right of Use Asset
- ii) Refer to Note No 31 for information on Property, Plant & Equipment Pledged as Security by the Group
- iii) **Capital Work Work in Progress**  
Capital Work in Progress is towards expansion of Various Business Units of the Group
- iv) 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, 2024

(₹ 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 |                 |
| <b>As at 31st March 2024</b>  |                                |               |           |                   |                 |
| Project in Progress           | 1,053.62                       | 337.18        | -         | -                 | 1,390.80        |
| Project temporarily suspended | -                              | -             | -         | -                 | -               |
| <b>Total</b>                  | <b>1,053.62</b>                | <b>337.18</b> | <b>-</b>  | <b>-</b>          | <b>1,390.80</b> |
| <b>As at 31st March 2023</b>  |                                |               |           |                   |                 |
| Project in Progress           | 3,843.96                       | 139.35        | -         | -                 | 3,983.31        |
| Project temporarily suspended | -                              | -             | -         | -                 | -               |
| <b>Total</b>                  | <b>3,843.96</b>                | <b>139.35</b> | <b>-</b>  | <b>-</b>          | <b>3,983.31</b> |

### Note 4 : Investment Properties

| Particulars  | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| <b>Gross Carrying Amount</b>                               |                       |                       |
| <b>Opening Gross Carrying Amount</b>                       | <b>2,250.67</b>       | <b>2,517.90</b>       |
| Additions during the year                                  | -                     | -                     |
| Transfer to Property , Plant & Equipment (Refer Note No 3) | -                     | 344.35                |
| Disposal   | -                     | 3.02                  |
| Adjustments due to Foreign Currency Translations           | 15.68                 | 80.14                 |
| <b>Closing Gross Carrying Amount</b>                       | <b>2,266.35</b>       | <b>2,250.67</b>       |
| <b>Accumulated Depreciation</b>                            |                       |                       |
| <b>Opening Accumulated Depreciation</b>                    | <b>908.96</b>         | <b>855.60</b>         |
| Adjustments due to Foreign Currency Translations           | 9.38                  | 42.57                 |
| Transfer to Property , Plant & Equipment (Refer Note No 3) | -                     | 101.12                |
| Depreciation Charge for the year                           | 112.86                | 111.91                |
| <b>Closing Accumulated Depreciation</b>                    | <b>1,031.20</b>       | <b>908.96</b>         |
| <b>Net Carrying Amount</b>                                 | <b>1,235.15</b>       | <b>1,341.71</b>       |

#### i) Amount recognised in profit and loss for investment properties

| Particulars  | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Rental Income  | 319.33                | 283.99                |
| Direct Operating expenses from property that generated rental income | 35.75                 | 30.89                 |
| <b>Profit from Investment Properties before Depreciation</b>         | <b>283.58</b>         | <b>253.10</b>         |
| Depreciation   | 112.86                | 111.91                |
| <b>Profit from Investment Properties</b>                             | <b>170.72</b>         | <b>141.19</b>         |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### ii) Fair Value

| Particulars           | As at<br>31st March 2024 | As at<br>31st March 2023 |
|-----------------------|--------------------------|--------------------------|
| Investment Properties | 5,413.20                 | 5,364.37                 |

#### 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<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Within one year                                | 102.66                   | 89.57                    |
| Later than one year but not later than 5 years | 53.54                    | 19.64                    |
| Later than 5 years                             | -                        | -                        |

### Note 5 : Intangible assets

| Particulars  | Trade Mark   | Non<br>Competition<br>Fees | Computer<br>Software * | Goodwill      | Total           |
|--|--------------|----------------------------|------------------------|---------------|-----------------|
| <b>Year Ended 31st March , 2024</b>                        |              |                            |                        |               |                 |
| <b>Gross Carrying Amount</b>                               |              |                            |                        |               |                 |
| <b>Opening Gross Carrying Amount</b>                       | -            | <b>41.09</b>               | <b>1,108.11</b>        | <b>166.57</b> | <b>1,315.77</b> |
| Adjustments due to Foreign Currency Translations           | -            | 0.62                       | -                      | 2.48          | <b>3.10</b>     |
| Additions during the year                                  | 15.03        | 400.80                     | 261.65                 | -             | <b>677.48</b>   |
| <b>Closing Gross Carrying Amount</b>                       | <b>15.03</b> | <b>442.51</b>              | <b>1,369.76</b>        | <b>169.05</b> | <b>1,996.35</b> |
| <b>Accumulated Amortisation</b>                            |              |                            |                        |               |                 |
| <b>Opening Accumulated Amortisation</b>                    | -            | <b>41.09</b>               | <b>933.93</b>          | -             | <b>975.02</b>   |
| Adjustments due to Foreign Currency Translations           | -            | 0.62                       | -                      | -             | <b>0.62</b>     |
| Amortisation charge for the year for Continuing Operations | 0.49         | 13.18                      | 176.00                 | -             | <b>189.67</b>   |
| <b>Closing Accumulated Amortisation</b>                    | <b>0.49</b>  | <b>54.89</b>               | <b>1,109.93</b>        | -             | <b>1,165.31</b> |
| <b>Closing Net Carrying Amount</b>                         | <b>14.54</b> | <b>387.62</b>              | <b>259.83</b>          | <b>169.05</b> | <b>831.04</b>   |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Trade Mark | Non Competition Fees | Computer Software * | Goodwill      | Total           |
|---|------------|----------------------|---------------------|---------------|-----------------|
| <b>Year Ended 31st March , 2023</b>                     |            |                      |                     |               |                 |
| <b>Gross Carrying Amount</b>                            |            |                      |                     |               |                 |
| <b>Opening Gross Carrying Amount</b>                    | -          | <b>37.90</b>         | <b>935.63</b>       | <b>153.75</b> | <b>1,127.28</b> |
| Adjustments due to Foreign Currency Translations        | -          | 3.19                 | -                   | 12.82         | <b>16.01</b>    |
| Additions during the year                               | -          | -                    | 172.48              | -             | <b>172.48</b>   |
| <b>Closing Gross Carrying Amount</b>                    | -          | <b>41.09</b>         | <b>1,108.11</b>     | <b>166.57</b> | <b>1,315.77</b> |
| <b>Accumulated Amortisation and Impairment</b>          |            |                      |                     |               |                 |
| <b>Opening Accumulated Amortisation</b>                 | -          | <b>37.90</b>         | <b>800.18</b>       | -             | <b>838.08</b>   |
| Adjustments due to Foreign Currency Translations        | -          | 3.19                 | -                   | -             | <b>3.19</b>     |
| Amortisation Charge for the year- Continuing Operations | -          | -                    | 133.75              | -             | <b>133.75</b>   |
| <b>Closing Accumulated Amortisation</b>                 | -          | <b>41.09</b>         | <b>933.93</b>       | -             | <b>975.02</b>   |
| <b>Closing Net Carrying Amount</b>                      | -          | -                    | <b>174.18</b>       | <b>166.57</b> | <b>340.75</b>   |

\* 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 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| <b>Investment in Equity Instruments (Fully Paid up , unless otherwise stated )</b>   |                       |                       |
| <b>Investment in Associates (Un Quoted) (Using Equity Method)</b>  |                       |                       |
| Capital Account in Benten Technologies LLP ( At Cost )   | 0.50                  | 0.50                  |
| Less : Share of opening Accumulated loss   | 0.10                  | 0.08                  |
| Less : Share of Loss for the current year ( from April to August 2023)   | 0.40                  | 0.02                  |
| <b>Carrying Amount of Investment</b>   | <b>-</b>              | <b>0.40</b>           |
| With effect from 01.09.2023, Benten Technologies LLP has been acquired by Technocraft Industries (India) Limited as 100% Subsidiary. |                       |                       |
| <b>Investment In Equity Instrument of Co-operative Societies -( At Fair Value through Profit &amp; Loss)</b>                         |                       |                       |
| <b>Unquoted</b>  |                       |                       |
| 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                  |
| <b>Total (Equity Instruments)</b>  | <b>0.03</b>           | <b>0.03</b>           |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Investment In Mutual Funds ( At Fair value through Profit and loss)</b>                              |                          |                          |
| <b>Un Quoted</b>  |                          |                          |
| 39,62,030.812 ( P.Y 1,96,25,652.993) Units of ₹ 10/- each of HDFC Corporate Bond Fund                   | 1,162.25                 | 5,334.25                 |
| 37,66,103.008 (P.Y NIL ) Units of ₹ 10/- each of Kotak Balanced Advantage Fund Direct Growth            | 720.04                   | -                        |
| 55,86,772.583 (P.Y NIL) Units of ₹10/- each of Kotak Equity Saving Fund                                 | 1,419.34                 | -                        |
| 9,24,927.299 (P.Y NIL) Units of ₹ 10/- each of SBI Multi Asset allocation Fund                          | 506.61                   | -                        |
| 95,72,932.809 (P.Y NIL) Units of ₹ 10/- each of Edelweiss Multi Asset Allocation Fund                   | 1,012.56                 | -                        |
| 1,50,303.698 (P.Y NIL) Units of ₹ 10/- each of ICICI Prudential Multi Asset Fund                        | 1,040.31                 | -                        |
| 39,218.927 (P.Y 39,218.927 ) Units of ₹ 10/- each of SBI Banking & PSU Fund                             | 1,107.74                 | 1,034.64                 |
| 1,49,99,250.037 (P.Y 1,49,99,250.037 ) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1857 Days        | 1,768.86                 | 1,647.94                 |
| 48,73,541.922 (P.Y 48,73,541.922 ) Units of ₹ 10/- each of HDFC Medium Term Debt Fund #                 | 2,481.92                 | 2,309.26                 |
| 24,10,060.072 (P.Y 17,47,797.669 ) Units of ₹ 10/- each of Kotak Balanced Advantage Fund Regular Growth | 430.92                   | 261.70                   |
| 90,07,522.820 (P.Y 90,07,522.820 ) Units of ₹ 10/- each of Kotak Medium Term Fund                       | 1,843.62                 | 1,706.16                 |
| 1,49,99,250.037 (P.Y 1,49,99,250.037 ) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1855 Days        | 1,741.85                 | 1,623.20                 |
| 96,77,600.725 (P.Y 96,77,600.725) Units of ₹ 10/- each of SBI Balanced Advantage Fund                   | 1,358.37                 | 1,066.10                 |
| 2,39,98,800.060 (P.Y 2,39,98,800.060) Units of ₹ 10/- each of SBI Fixed Maturity Plan 1850 Days         | 2,782.68                 | 2,595.16                 |
| 93,90,910.470 ( P.Y 93,90,910.470 ) units of ₹ 10/- each of HDFC Corporate Bond Fund -Growth            | 2,754.80                 | 2,552.45                 |
| 2,99,86,502.093 ( P.Y 2,99,86,502.093) Units of ₹ 10/- each of Kotak Nifty SDL April 2027 Index Fund    | 3,329.96                 | 3,108.93                 |
| 2,47,73,352.887 (P.Y 2,47,73,352.887) Units of ₹ 10/- each of SBI Crisil IBX SDL Index -Sept 2027 Fund  | 2,754.18                 | 2,572.27                 |
| 47,69,980.072 (P.Y 47,69,980.072) Units of ₹ 10/- each of SBI Crisil IBX GILT INDEX -June 2036 Fund     | 546.21                   | 499.21                   |
| 1,35,661.860 (P.Y 1,35,661.860) Units of ₹ 10/- each of HDFC Medium Term Debt Fund Growth               | 69.09                    | 64.27                    |
| 7,45,193.265 (P.Y 7,45,193.265) Units of ₹ 10/- each of HDFC Nifty G Sec Sept 2032 Index Fund           | 82.79                    | 76.18                    |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| 21,86,883.485 (P.Y 21,86,883.485) Units of ₹ 10/- each of SBI Crisil IBX Gilt Index June 2036 Fund | 250.42                   | 228.87                   |
| 146,145.126 (P.Y 1,46,145.126) Units of ₹ 10/- each of HDFC Focussed 30 Fund                       | 270.54                   | 192.08                   |
| 17,89,443.549 (P.Y NIL ) units of ₹ 10 each of SBI Balance Advantage Fund                          | 251.17                   | -                        |
| 38,002.432 (P.Y NIL ) units of ₹ 10 each of SBI Contra Fund  | 137.38                   | -                        |
| 48,174.969 ( P.Y NIL) units of ₹ 10 each of HDFC Index Fund Nifty 50                               | 102.71                   | -                        |
| 15,61,734.254 (P.Y NIL) units of ₹ 10 each of SBI Multi Asset allocation Fund                      | 855.41                   | -                        |
| 3,07,050.720 (P.Y NIL) units of ₹ 10 each of ICICI Prudential Nifty 50 Index Fund                  | 707.63                   | -                        |
| 13,96,149.825 (P.Y NIL) units of ₹ 10 each of Mahindra Manulife Midcap Fund                        | 427.37                   | -                        |
| 6,88,120.199 ( P.Y NIL) units of ₹ 10 each of Bandhan Emerging Business Fund                       | 253.06                   | -                        |
| 16,568.72 (P.Y NIL) units of ₹ 10 each of HDFC Flexi Cap Fund                                      | 288.36                   | -                        |
| 29,908.1058 (P.Y NIL) units of ₹ 1000/-each of Abakus Diversified Alpha fund                       | 441.28                   | -                        |
| NIL (P.Y 1,30,86,264.657 ) Units of ₹ 10/- each of SBI Corporate Bond Fund                         | -                        | 1,709.60                 |
| NIL (17,68,899.429 ) Units of ₹ 10/- each of SBI International Access -US Equity FoF               | -                        | 199.15                   |
| <b>Total (Mutual funds)</b>  | <b>32,899.43</b>         | <b>28,781.42</b>         |
| <b>Investments in Portfolio Management Schemes (At Fair Value through Profit &amp; Loss)</b>       |                          |                          |
| <b>Un Quoted</b>   |                          |                          |
| Dezerv Equity Revival Strategy   | 2,372.82                 | -                        |
| <b>Total (Portfolio Management Schemes)</b>  | <b>2,372.82</b>          | <b>-</b>                 |
| <b>Total Non - Current Investments</b>   | <b>35,272.28</b>         | <b>28,781.85</b>         |
| Aggregate Amount of Unquoted Investments   | 35,272.28                | 28,781.85                |

# Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Non Current Investments Lien as on 31st March 2024 is ₹ 2,481.92 Lakhs ( P.Y ₹ 2,309.26 Lakhs) .Also refer Note No 31 for details of Investments Pledged as Security .

### Note 6(a) : Current Investments

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Investment In Mutual Funds ( At Fair value through Profit and loss)</b>                  |                          |                          |
| <b>Un quoted</b>  |                          |                          |
| 10,42,505.059 (P.Y 10,42505.059 ) units of ₹ 10/- each of HDFC Equity Saving Fund -Growth # | 623.30                   | 525.12                   |
| 5,78,254.083 (P.Y NIL ) units of ₹ 10/- each of HDFC Equity Saving Fund -DG                 | 382.21                   | -                        |
| 88,161.418 (P.Y 79,960.643 ) Units of ₹ 10/- each of HDFC Equity Fund                       | 1,415.60                 | 896.77                   |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | As at           |                 |
|---|-----------------|-----------------|
|   | 31st March 2024 | 31st March 2023 |
| 28,41,983.490 (P.Y 39,11,913.847 ) Units of ₹ 10/- each of HDFC Equity Saving Fund    | 1,699.19        | 1,990.36        |
| 43,55,340.147 (P.Y 43,55,340.147 ) Units of ₹ 10/- each of HDFC Dividend Yield Fund   | 1,007.35        | 682.96          |
| 46,486.5470 (P.Y NIL) Units of 10 USD each of Kotak Credit opportunities Fund         | 417.06          | -               |
| NIL (P.Y 16,35,890.908 ) Units of ₹ 10/- each of Invesco Global Trends Fund --Regular | -               | 106.47          |
| <b>Total (Mutual Funds)</b>   | <b>5,544.71</b> | <b>4,201.68</b> |
| <b>Investment in Equity Instruments</b>   |                 |                 |
| <b>Investment In Equity Shares ( At Fair value through Profit and loss)</b>           |                 |                 |
| <b>Quoted</b>   |                 |                 |
| 3,080 (P.Y 3,080 ) Shares of ₹ 10/- each of Avenue Supermarkets Limited               | 139.50          | 104.82          |
| <b>Total (Equity Instruments)</b>   | <b>139.50</b>   | <b>104.82</b>   |
| <b>Total Current Investments</b>  | <b>5,684.21</b> | <b>4,306.50</b> |
| Aggregate Amount of Unquoted Investments  | 5,544.71        | 4,201.68        |
| Aggregate Amount of Quoted Investments  | 139.50          | 104.82          |
| Aggregate Market value of Quoted Investments  | 139.50          | 104.82          |

# Lien with the Bank against LC Limit of Technocraft Textiles Limited .Total Current Investments Lien as on 31st March 2024 is ₹ 623.30 ( P.Y ₹ 525.12 Lakhs) .Also refer Note No 31 for details of Investments Pledged as Security.

### Note 6(b) : Other Financial Assets

| Particulars                                       | As at 31st March, 2024 |               | As at 31st March, 2023 |                 |
|---|------------------------|---------------|------------------------|-----------------|
|   | Current                | Non Current   | Current                | Non Current     |
| Security Deposits                                 | 284.68                 | 571.23        | 316.69                 | 456.34          |
| Bank deposits with more than 12 months maturity * | -                      | 419.72        | -                      | 2,948.96        |
| Other Receivables                                 | 713.15                 | -             | 721.28                 | -               |
| <b>Total Other Financial Assets</b>               | <b>997.83</b>          | <b>990.95</b> | <b>1,037.97</b>        | <b>3,405.30</b> |

\* 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            |                  |
|--|------------------|------------------|
|  | 31st March 2024  | 31st March 2023  |
| Trade Receivables ( other than related Parties )   | 45,393.77        | 41,961.82        |
| 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  | -                | -                |
| <b>Total Receivables</b>   | <b>45,393.77</b> | <b>41,961.82</b> |





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars                         | As at<br>31st March 2024 | As at<br>31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| Current Portion                     | 45,393.77                | 41,961.82                |
| Non - Current Portion               | -                        | -                        |
| <b>Break-up of Security details</b> |                          |                          |
| Secured , Considered good           | -                        | -                        |
| Unsecured , Considered good         | 45,393.77                | 41,961.82                |
| Doubtful                            | -                        | -                        |
| <b>Total</b>                        | <b>45,393.77</b>         | <b>41,961.82</b>         |
| Allowances for doubtful debts       | -                        | -                        |
| <b>Total Trade Receivables</b>      | <b>45,393.77</b>         | <b>41,961.82</b>         |

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, 2024 (outstanding for following periods from due date of payment)

| Particulars  | Not due          | Less than<br>6 Months | 6 Months<br>-1 year | 1-2 years       | 2-3<br>years | More<br>than 3<br>years | Total            |
|--|------------------|-----------------------|---------------------|-----------------|--------------|-------------------------|------------------|
| Undisputed Trade Receivables<br>-Considered Good                                   | 29,494.24        | 11,714.55             | 2,536.53            | 1,449.91        | -            | -                       | 45,195.23        |
| Undisputed Trade Receivables<br>-Which have significant increase<br>in Credit Risk | -                | -                     | -                   | -               | -            | -                       | -                |
| Undisputed Trade Receivables<br>-Credit Impaired                                   | -                | -                     | -                   | -               | -            | -                       | -                |
| Disputed Trade Receivables<br>-Considered Good                                     | -                | -                     | -                   | 177.08          | 21.46        | -                       | 198.54           |
| Disputed Trade Receivables<br>-Which have significant increase<br>in Credit Risk   | -                | -                     | -                   | -               | -            | -                       | -                |
| Disputed Trade Receivables<br>-Credit Impaired                                     | -                | -                     | -                   | -               | -            | -                       | -                |
| <b>Total</b>   | <b>29,494.24</b> | <b>11,714.55</b>      | <b>2,536.53</b>     | <b>1,626.99</b> | <b>21.46</b> | <b>-</b>                | <b>45,393.77</b> |

### Trade Receivables ageing as at 31st March, 2023 (outstanding for following periods from due date of payment)

| Particulars  | Not due   | Less than<br>6 Months | 6 Months<br>-1 year | 1-2 years | 2-3<br>years | More<br>than 3<br>years | Total     |
|--|-----------|-----------------------|---------------------|-----------|--------------|-------------------------|-----------|
| Undisputed Trade Receivables<br>-Considered Good                                   | 24,193.11 | 13,637.01             | 3,725.85            | -         | -            | -                       | 41,555.97 |
| Undisputed Trade Receivables<br>-Which have significant increase<br>in Credit Risk | -         | -                     | -                   | -         | -            | -                       | -         |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| 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 -Credit Impaired                              | -                | -                  | -                | -            | -             | -                 | -                |
| 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                                | -                | -                  | -                | -            | -             | -                 | -                |
| <b>Total</b>   | <b>24,193.11</b> | <b>13,776.80</b>   | <b>3,762.93</b>  | <b>81.39</b> | <b>147.59</b> | <b>-</b>          | <b>41,961.82</b> |

### Note 6(d) : Cash and cash equivalents

| Particulars                               | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Balances with Banks - In current accounts | 11,653.30             | 16,859.11             |
| Cash on Hand                              | 55.14                 | 47.53                 |
| <b>Total Cash and Cash Equivalents</b>    | <b>11,708.44</b>      | <b>16,906.64</b>      |

### Note 6(e) : Other Bank Balances

| Particulars  | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| In Unclaimed Dividend Accounts                     | -                     | 2.40                  |
| In Escrow Account #                                | 650.00                | -                     |
| Fixed Deposit (Maturity Between 3 to 12 Months ) * | 3,655.28              | 1,201.37              |
| <b>Total Other Bank Balances</b>                   | <b>4,305.28</b>       | <b>1,203.77</b>       |

\* Bank Deposits are Pledged against Bank Overdraft/ Bank Guarantee. Also refer Note No 31 for details of Bank deposits Pledged as Security.

# Against Purchase of Assets

### Note 6(f) : Loans

| Particulars   | As at 31st March, 2024 |               | As at 31st March, 2023 |               |
|---|------------------------|---------------|------------------------|---------------|
|   | Current                | Non - Current | Current                | Non - Current |
| Loans To Employees  | 193.18                 | -             | 181.10                 | -             |
| Loans to Related Parties ( Also Refer Note No 33 for Related Party Transactions ) | 260.73                 | -             | 240.17                 | -             |
| Loan to Outsiders   | 322.36                 | -             | 986.22                 | -             |
| <b>Total Loans</b>  | <b>776.27</b>          | <b>-</b>      | <b>1,407.49</b>        | <b>-</b>      |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Break up   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Loan Considered good-Secured                         | -                        | -                        |
| Loan Considered good-Unsecured                       | 776.27                   | 1,407.49                 |
| Loans which have significant increase in credit risk | -                        | -                        |
| Loans -credit impaired                               | -                        | -                        |
| <b>Total</b>   | <b>776.27</b>            | <b>1,407.49</b>          |
| Less Allowance for Doubtful Loans                    | -                        | -                        |
| <b>Total Loans</b>                                   | <b>776.27</b>            | <b>1,407.49</b>          |

Details of Loan Granted to Related Parties that are repayable on demand are as Under

| Type of Borrower        | As at 31st March ,2024  |  | As at 31st March , 2023                                       |  |
|-------------------------|---|--|---|--|
|                         | Amount of loans or advances in the nature of loan outstanding | % of total loans and advances in the nature of Loans | Amount of loans or advances in the nature of loan outstanding | % of total loans and advances in the nature of Loans |
| Loan to Related Parties | 260.73  | 33.59  | 240.17  | 17.06  |
| <b>Total</b>            | <b>260.73</b>   | <b>33.59</b>   | <b>240.17</b>   | <b>17.06</b>   |

### Note 7 : Other Non-Current Assets

| Particulars                           | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---------------------------------------|--------------------------|--------------------------|
| Capital Advances                      | 2,965.91                 | 2,141.03                 |
| Other Assets                          | 47.83                    | 21.71                    |
| <b>Total Other Non Current Assets</b> | <b>3,013.74</b>          | <b>2,162.74</b>          |

### Note 8 : Inventories

| Particulars              | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--------------------------|--------------------------|--------------------------|
| Raw Material             | 19,106.39                | 19,489.77                |
| Work in Progress         | 4,517.94                 | 9,154.89                 |
| Finished Stock           | 44,253.59                | 47,129.85                |
| Stores and Spares        | 2,896.52                 | 2,365.78                 |
| Scrap                    | 255.92                   | 527.73                   |
| Fuel & Oil               | 101.45                   | 92.35                    |
| Packing Materials        | 297.57                   | 221.52                   |
| <b>Total Inventories</b> | <b>71,429.38</b>         | <b>78,981.89</b>         |

Also Refer Note No 31 for details of Inventories Pledged as Securities



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 9 : Other Current Assets

| Particulars  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Prepaid Expenses   | 1,071.69                 | 1,110.56                 |
| Balance with Statutory authorities   | 7,179.57                 | 4,679.69                 |
| Advance Expenditure on Corporate Social Responsibility ( Refer Note No 41) | 124.00                   | 250.00                   |
| Others   | 3,337.73                 | 2,088.72                 |
| <b>Total Other Current Asset</b>   | <b>11,712.99</b>         | <b>8,128.97</b>          |

### Note 10 : Assets Classified as Held for Sale

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| Opening Net carrying value of Assets classified as Held for Sale  | 308.44                   | 507.36                   |
| Less: Provision for Impairment Loss recognised during the year  | 68.64                    | -                        |
| Add Reversal of Impairment Loss recognised in earlier years   | -                        | 500.00                   |
| Add:Net Carrying Value of Assets transferred during the year from Property, Plant and Equipment (Refer Note No.3) | 2,730.38                 | -                        |
| Less Net Carrying Value of Assets sold during the year  | 234.25                   | 698.92                   |
| Less Net carrying value of Assets transferred during the year to Property, Plant & Equipment (Refer Note No.3)    | 0.40                     | -                        |
| <b>Net Value of Assets Classified as Held for Sale</b>  | <b>2,735.53</b>          | <b>308.44</b>            |
| Net Value of Assets Classified as Held for Sale -Continuing Operations  | 2,735.53                 | 5.15                     |
| Net Value of Assets Classified as Held for Sale -Discontinued Operations  | -                        | 303.29                   |

### Note 11 : Equity Share Capital & Other Equity

#### Note 11(a) : Equity Share Capital

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Authorised</b>   |                          |                          |
| 4,00,00,000 (P.Y. 4,00,00,000) Equity Shares of ₹.10/- Each.              | 4,000.00                 | 4,000.00                 |
|   | <b>4,000.00</b>          | <b>4,000.00</b>          |
| <b>Issued, Subscribed and Fully Paid Up</b>                               |                          |                          |
| 2,29,61,687 (P.Y 2,29,61,687 ) Equity Shares of ₹.10/- Each Fully Paid Up | 2,296.17                 | 2,296.17                 |
|   | <b>2,296.17</b>          | <b>2,296.17</b>          |

#### 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.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

**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, 2024 |              | As on 31st March, 2023 |              |
|   | Number                 | ₹ (in Lakhs) | Number                 | ₹ (in Lakhs) |
| Shares outstanding at the beginning of the year | 22,961,687             | 2,296.17     | 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     | 22,961,687             | 2,296.17     |

**c). Details of Shareholders holding more than 5% shares in the company:**

| Name of the Party            | Equity Shares          |              |                        |              |
|------------------------------|------------------------|--------------|------------------------|--------------|
|                              | As on 31st March, 2024 |              | As on 31st March, 2023 |              |
|                              | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| Sudarshan Kumar Saraf        | 6,432,349              | 28.01        | 6,432,349              | 28.01        |
| Shakuntala Saraf             | 4,894,020              | 21.31        | 4,894,020              | 21.31        |
| Sharad Kumar Madhoprasad HUF | 2,087,695              | 9.09         | 2,087,695              | 9.09         |
| Navneet Kumar Saraf          | 1,337,685              | 5.83         | 1,337,685              | 5.83         |

**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 preceding 31st March 2024. 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, 2024**

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Changes during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|-------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf                 | 64,32,349                                 | -                       | 64,32,349                           | 28.01             | -                         |
| Shakuntala Saraf                      | 48,94,020                                 | -                       | 48,94,020                           | 21.31             | -                         |
| Sharad Kumar Saraf HUF                | 20,87,695                                 | -                       | 20,87,695                           | 9.09              | -                         |
| Navneet Kumar Saraf                   | 13,37,685                                 | -                       | 13,37,685                           | 5.83              | -                         |
| Sharad Kumar Saraf                    | 3,85,133                                  | -                       | 3,85,133                            | 1.68              | -                         |
| Suman Saraf                           | 1,11,072                                  | -                       | 1,11,072                            | 0.48              | -                         |
| Sudarshan Kumar Saraf HUF             | 70,807                                    | -                       | 70,807                              | 0.31              | -                         |
| Ritu Saraf                            | 1,48,116                                  | -                       | 1,48,116                            | 0.65              | -                         |
| Ashish Kumar Saraf                    | 4,77,974                                  | -                       | 4,77,974                            | 2.08              | -                         |
| Nidhi Saraf                           | 5,14,347                                  | -                       | 5,14,347                            | 2.24              | -                         |
| Priyanka Saraf                        | 4,73,322                                  | -                       | 4,73,322                            | 2.06              | -                         |
| Ashrit Holdings Limited               | 2,00,216                                  | -                       | 2,00,216                            | 0.87              | -                         |
| <b>Total</b>                          | <b>1,71,32,736</b>                        | <b>-</b>                | <b>1,71,32,736</b>                  | <b>74.61</b>      | <b>-</b>                  |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

As at 31st March, 2023

| Name of the Promoter & Promoter Group | No of Shares at the Beginning of the Year | Changes during the Year | No of Shares at the end of the Year | % of Total Shares | % Changes during the year |
|---------------------------------------|---|-------------------------|-------------------------------------|-------------------|---------------------------|
| Sudarshan Kumar Saraf                 | 67,94,903                                 | 3,62,554                | 64,32,349                           | 28.01             | 5.34                      |
| Shakuntala Saraf                      | 51,69,867                                 | 2,75,847                | 48,94,020                           | 21.31             | 5.34                      |
| Sharad Kumar Saraf HUF                | 22,05,366                                 | 1,17,671                | 20,87,695                           | 9.09              | 5.34                      |
| Navneet Kumar Saraf                   | 14,13,082                                 | 75,397                  | 13,37,685                           | 5.83              | 5.34                      |
| Sharad Kumar Saraf                    | 4,06,840                                  | 21,707                  | 3,85,133                            | 1.68              | 5.34                      |
| Suman Saraf                           | 1,17,332                                  | 6,260                   | 1,11,072                            | 0.48              | 5.34                      |
| Sudarshan Kumar Saraf HUF             | 74,797                                    | 3,990                   | 70,807                              | 0.31              | 5.33                      |
| Ritu Saraf                            | 1,56,464                                  | 8,348                   | 1,48,116                            | 0.65              | 5.34                      |
| Ashish Kumar Saraf                    | 5,04,914                                  | 26,940                  | 4,77,974                            | 2.08              | 5.34                      |
| Nidhi Saraf                           | 5,43,337                                  | 28,990                  | 5,14,347                            | 2.24              | 5.34                      |
| Priyanka Saraf                        | 5,00,000                                  | 26,678                  | 4,73,322                            | 2.06              | 5.34                      |
| Ashrit Holdings Limited               | 3,80,446                                  | 1,80,230                | 2,00,216                            | 0.87              | 47.37                     |
| <b>Total</b>                          | <b>1,82,67,348</b>                        | <b>11,34,612</b>        | <b>1,71,32,736</b>                  | <b>74.61</b>      | -                         |

### Note 11(b) : Other Equity

| Particulars                           | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------------|-----------------------|-----------------------|
| Capital Redemption Reserve            | 859.01                | 859.01                |
| <b>Others :</b>                       |                       |                       |
| Capital Reserve                       | 76.53                 | 76.53                 |
| Securities Premium                    | 459.12                | 459.12                |
| General Reserve                       | 13,482.44             | 13,482.44             |
| Retained Earnings                     | 151,528.30            | 125,194.12            |
| Foreign Currency Translation Reserves | (1,200.71)            | (785.67)              |
| <b>Total Reserves and Surplus</b>     | <b>165,204.69</b>     | <b>139,285.55</b>     |

#### 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.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### 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<br>31st March 2024 | As at<br>31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| <b>Secured</b>                      |                          |                          |
| <b>Term Loans</b>                   |                          |                          |
| <b>From banks</b>                   |                          |                          |
| HDFC Bank Rupee Term Loan (I)       | 7,494.48                 | 9.49                     |
| HDFC Bank Rupee Term Loan (II)      | 3,440.79                 | -                        |
| HDFC Bank Rupee Term Loan (III)     | 1,794.04                 | -                        |
| ICICI Bank Rupee Term Loan (I)      | -                        | 3.96                     |
| ICICI Bank Rupee Term Loan (II)     | -                        | 21.28                    |
| Kotak Mahindra Bank Rupee Term Loan | -                        | 2,910.38                 |
| State Bank of India Car Loan        | -                        | 17.76                    |
| <b>Total Non Current Borrowings</b> | <b>12,729.31</b>         | <b>2,962.87</b>          |

### I. Nature of Security & Terms of Borrowing

1. Term Loan from HDFC Bank (I) is secured by way of Hypothecation over Plant & Machinery acquired out of the Said Loan and also by way of First Pari Passu Charge on Factory Land of Amravati Unit and also by way of Second Charge on Hypotheciation 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 30-9-2031. Rate of Interest is 8% p.a as at the year end (P.Y 8.05 % p.a)
2. Term Loan from HDFC Bank (II) is secured by way of Hypothecation over Plant & Machinery acquired out of the said Loan & also by way of Exclusive Charge on Factory Land of Aurangabad Unit. It is also additionally secured by way of Corporate Guarantee given by Parent Company. It is Repayable in 20 Quarterly Equal Instalments starting from 02-02-2026 & ending on 02-11-2030. Rate of Interest is 7.97 % p.a as the year end.
3. Term Loan from HDFC Bank (III) is secured by way of Hypothecation over Plant & Machinery acquired out of the said Loan & also by way of Exclusive Charge on Factory Land of Aurangabad Unit. It is also additionally secured by way of Corporate guarantee given by Parent & Fellow Subsidiary Company. It is Repayable in 20 Quarterly Equal Instalments starting from 02-02-2026 & ending on 02-11-2030. Rate of Interest is 7.97 % p.a as the year end.
4. Term Loan From ICICI Bank (I+II ) was Secured against Fixed Deposits.
5. Term Loan From Kotak Mahindra Bank was 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).





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

6. 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 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 2023: 7.25% p.a)
  7. 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% 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<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| <b>Secured</b>                                       |                          |                          |
| <b>From banks</b>                                    |                          |                          |
| 1.H.D.F.C. Bank- Overdraft                           | 1,504.24                 | 757.27                   |
| 2.H.D.F.C Bank Working Capital Loan                  | 1,500.00                 | 1,500.00                 |
| 3.H.D.F.C. Bank - Rupee Packing Credit               | 15,150.70                | 17,496.46                |
| 4.Kotak Mahindra Bank Rupee Packing Credit           | 3,951.67                 | 8,177.62                 |
| 5.Kotak Mahindra Bank Working Capital Loan           | -                        | 20.66                    |
| 6.Industrial & Commercial Bank of China              | 1,148.25                 | 1,194.75                 |
| 7.Citi Bank Rupee Packing Credit                     | 16,110.23                | -                        |
| 8.Citi Bank (Poland,China & USA)                     | 8,718.73                 | 9,702.19                 |
| 9.Citi Bank Working Capital Loan                     | 4.02                     | -                        |
| 10.HSBC Rupee Packing Credit                         | 600.00                   | 2,000.00                 |
| 11.HSBC Working Capital Loan ( USA, UK & Newzealand) | 5,604.51                 | 2,716.87                 |
| 12.DBS Bank Rupee Packing Credit                     | -                        | 3,902.71                 |
| 13.ICICI Bank Rupee Packing Credit                   | -                        | 5,048.00                 |
| 14.ICICI Bank Working Capital Loan                   | -                        | 86.61                    |
| 15.Current Maturity on Long Term Borrowings          | 25.37                    | 1,858.86                 |
| <b>Unsecured</b>                                     |                          |                          |
| <b>From banks</b>                                    |                          |                          |
| 1.HSBC Bank (Vendor Discounting)                     | 408.22                   | 582.05                   |
| 2.Axis Bank Rupee Packing Credit                     | -                        | 7,500.00                 |
| <b>From Others (Terms of Repayment -On Demand)</b>   |                          |                          |
| 1.From Others  | 51.49                    | 74.24                    |
| <b>Total Current Borrowings</b>                      | <b>54,777.43</b>         | <b>62,618.29</b>         |

### 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.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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
  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
  6. Working Capital Loan from Industrial & Commercial Bank of China is secured by way of charge over Leasehold Land & Factory Building situated at China
  7. Export Packing Credit Against Confirmed Orders From CITI 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.
  8. 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.
  9. Working Capital Loan from CITI Bank (India) 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.
  10. 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 Group Specific Immovable Properties of Scaffolding Division situated at Murbad
  11. Working Capital Loan From HSBC Bank (USA ,UK & Newzealand ) 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.
  12. 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
  13. 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.
  14. Working Capital Loan from ICICI Bank is Secured Against the Hypothecation of Stock & Book Debts Both Present & Future of Textile Division situated at Murbad.
- 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<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Security Deposits                                    | 74.55                    | 23.81                    |
| Other Liabilities                                    | 107.56                   | 105.97                   |
| Lease Liability (Also Refer Note No 39)              | 46.75                    | -                        |
| <b>Total Other Non Current Financial Liabilities</b> | <b>228.86</b>            | <b>129.78</b>            |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 12(b) : Other Current Financial Liabilities

| Particulars                                      | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Security Deposits                                | 1,033.23                 | 728.93                   |
| Liabilities For Expenses                         | 5,130.76                 | 2,878.31                 |
| Lease Liability (Also Refer Note No 39)          | 10.48                    | 39.24                    |
| Unclaimed Dividend                               | -                        | 2.40                     |
| <b>Total Other Current Financial Liabilities</b> | <b>6,174.47</b>          | <b>3,648.88</b>          |

### Note 12(c) : Trade Payables

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Current</b>  |                          |                          |
| Amount due to related parties                         | -                        | 2,608.10                 |
| Total outstanding dues of micro and small enterprises | 180.37                   | 52.10                    |
| Others  | 9,026.41                 | 11,808.58                |
| <b>Total Trade Payables</b>                           | <b>9,206.78</b>          | <b>14,468.78</b>         |

### 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<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| The Principal amount remaining unpaid to any supplier at the end of the year  | 180.37                   | 52.10                    |
| 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 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 Balancesheet 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.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Trade Payables Ageing as at 31st March 2024 ( 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 #                    | 180.37          | -                | -         | -         | -                 | 180.37          |
| Total Outstanding dues of creditors other than micro enterprises and small enterprises | 5,942.01        | 3,084.40         | -         | -         | -                 | 9,026.41        |
| Disputed dues of micro enterprises and small enterprises                               | -               | -                | -         | -         | -                 | -               |
| Disputed dues of creditors other than micro and small enterprises                      | -               | -                | -         | -         | -                 | -               |
| <b>Total</b>   | <b>6,122.38</b> | <b>3,084.40</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>9,206.78</b> |

# including Rs. 29.57 lakhs unbilled trade payables

### 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           | -                | -         | -         | -                 | 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                      | -               | -                | -         | -         | -                 | -                |
| <b>Total</b>   | <b>9,946.16</b> | <b>4,522.62</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>14,468.78</b> |

### Note 13 : Provisions

| Particulars                           | As at 31st March, 2024 |                 | As at 31st March, 2023 |                 |
|---------------------------------------|------------------------|-----------------|------------------------|-----------------|
|                                       | Current                | Non - Current   | Current                | Non - Current   |
| Provision For Leave Salary Encashment | 138.10                 | 534.47          | 69.46                  | 438.11          |
| Provision For Gratuity                | 405.03                 | 2,362.29        | 172.20                 | 1,934.45        |
| <b>Total Provisions</b>               | <b>543.13</b>          | <b>2,896.76</b> | <b>241.66</b>          | <b>2,372.56</b> |

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 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Property, Plant & Equipment, Intangible Assets & Investment Properties | 1,788.04              | 593.14                |
| Employee Benefits  | (865.42)              | (651.23)              |
| Investments  | 1,162.14              | 612.90                |
| Tax Loss   | (382.16)              | (220.30)              |
| Others   | (778.80)              | 35.38                 |
| <b>Net Deferred Tax Liabilities</b>                                    | <b>923.80</b>         | <b>369.89</b>         |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 15 : Other Non-Current Liabilities

| Particulars                                | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Deferred Government Grant                  | 3,800.84                 | 397.00                   |
| <b>Total Other Non Current Liabilities</b> | <b>3,800.84</b>          | <b>397.00</b>            |

### Note 16 : Current Tax Liabilities (Net)

| Particulars                                | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Provision For Taxation                     | 32,509.58                | 26,801.45                |
| Less : Advance Tax                         | 32,197.78                | 25,532.80                |
| <b>Total Current Tax Liabilities (net)</b> | <b>311.80</b>            | <b>1,268.65</b>          |

### Note 17: Other Current Liabilities

| Particulars                            | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Advance From Customers                 | 4,140.40                 | 2,455.36                 |
| Deferred Government Grant              | 1,224.11                 | 249.68                   |
| Other Liabilities                      | 908.08                   | 1,004.66                 |
| <b>Total Other Current Liabilities</b> | <b>6,272.59</b>          | <b>3,709.70</b>          |

### Note 18 : Revenue From Continuing Operations

| Particulars                                     | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Sale of products                                | 184,028.46                    | 170,411.08                    |
| Rendering of Services                           | 22,111.87                     | 15,281.92                     |
| Other Operating Revenue                         | 12,022.51                     | 12,760.19                     |
| <b>Total Revenue from Continuing Operations</b> | <b>218,162.84</b>             | <b>198,453.19</b>             |

### Disaggregation of Revenue

#### Revenue based on Geography

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Domestic   | 68,113.62                     | 69,475.36                     |
| Export #   | 150,049.22                    | 128,977.83                    |
| <b>Total Revenue from operations as per statement of Profit &amp; Loss</b> | <b>218,162.84</b>             | <b>198,453.19</b>             |

# Export incentives has been included in Export Revenue



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Revenue based on Business Segment

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Drum Closure   | 54,037.33                     | 53,302.00                     |
| Scaffolding  | 103,212.81                    | 88,924.98                     |
| Yarn   | 23,414.09                     | 25,146.59                     |
| Fabric   | 17,905.84                     | 17,607.92                     |
| Engineering & Design   | 19,592.77                     | 13,449.34                     |
| Others   | -                             | 22.36                         |
| <b>Total Revenue from operations as per Statement of Profit &amp; Loss</b> | <b>218,162.84</b>             | <b>198,453.19</b>             |

### Contract Balances

| Particulars                                    | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--|--------------------------|--------------------------|
| Trade Receivables                              | 45,393.77                | 41,961.82                |
| Contract Liabilities (Advances from Customers) | 4,140.40                 | 2,455.36                 |

### Reconciling the Amount of Revenue recognised in the statement of Profit & Loss with the Contracted Prices

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Contract Price   | 218,540.84                    | 198,836.81                    |
| Less Discount, Claims, credits, Returns etc                                | 378.00                        | 383.62                        |
| <b>Total Revenue from operations as per statement of Profit &amp; Loss</b> | <b>218,162.84</b>             | <b>198,453.19</b>             |

### Note 19 : Other Income

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Rental Income  | 389.27                        | 310.34                        |
| Interest income  | 700.22                        | 336.00                        |
| Net Gain on financial assets measured at fair value through profit and loss        | 4,311.84                      | 1,190.12                      |
| Net Gain on Disposal of Investments measured at fair value through profit and loss | 213.55                        | 719.10                        |
| Profit on Sale of Property, Plant & Equipment                                      | 161.35                        | 148.35                        |
| Net Foreign Exchange Gain  | 1,227.23                      | 1,572.30                      |
| Amortisation of Grant  | 1,252.00                      | 233.70                        |
| Other Non-Operating Income   | 735.38                        | 526.90                        |
| <b>Total Other Income</b>  | <b>8,990.84</b>               | <b>5,036.81</b>               |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 20 : Cost of Material Consumed & Engineering & Design Charges

| Particulars                                   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Raw Materials at the Beginning of the year    | 19,489.77                     | 14,735.27                     |
| Raw Material on acquisition of Subsidiary     | 110.10                        | -                             |
| Add : Purchases (net) #                       | 85,085.59                     | 98,743.78                     |
|   | 104,685.46                    | 113,479.05                    |
| Less : Raw Material at the end of the Year    | 19,106.39                     | 19,489.77                     |
| <b>Raw Materials Consumed during the year</b> | <b>85,579.07</b>              | <b>93,989.28</b>              |
| Packing Material Consumed                     | 1,761.41                      | 1,467.91                      |
| Engineering & Design Charges                  | 1,927.19                      | 317.32                        |
| <b>Total Cost</b>                             | <b>89,267.67</b>              | <b>95,774.51</b>              |

# 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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Opening Balance</b>  |                               |                               |
| Work - in - Progress  | 9,154.89                      | 7,482.02                      |
| Finished Stock ( Goods)   | 47,129.85                     | 29,748.51                     |
| Scrap / Waste   | 527.73                        | 196.71                        |
| <b>Total</b>  | <b>56,812.47</b>              | <b>37,427.24</b>              |
| Closing Balance   |                               |                               |
| Work - in - Progress  | 4,517.94                      | 9,154.89                      |
| Finished Stock( Goods)  | 44,253.59                     | 47,129.85                     |
| Scrap / Waste   | 255.92                        | 527.73                        |
| <b>Total Closing Balance</b>  | <b>49,027.45</b>              | <b>56,812.47</b>              |
| <b>Total Changes in inventories of finished goods, Stock-in -Trade and work-in-progress</b> | <b>7,785.02</b>               | <b>(19,385.23)</b>            |

### Note 22 : Employee benefits expenses

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Salaries, Wages, Bonus etc                          | 25,658.58                     | 19,182.12                     |
| Contribution to Provident Fund , ESIC & Other Funds | 794.99                        | 593.82                        |
| Gratuity Expenses (Also Refer Note No 34 )          | 414.57                        | 336.17                        |
| Staff Welfare Expenses                              | 915.37                        | 801.82                        |
| Directors Remuneration                              | 599.25                        | 598.28                        |
| <b>Total Employee Benefits Expenses</b>             | <b>28,382.76</b>              | <b>21,512.21</b>              |





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 23 : Finance costs

| Particulars                                    | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>Interest</b>                                |                               |                               |
| Interest Expenses (net)                        | 3,698.04                      | 2,557.03                      |
| <b>Financial Cost</b>                          |                               |                               |
| Bank Charges                                   | 214.18                        | 125.21                        |
| Bank Guarantee Charges                         | 46.10                         | 38.87                         |
| Bank Processing Charges                        | -                             | 1.16                          |
| L/C Charges                                    | 8.51                          | 70.95                         |
| <b>Finance Cost expensed in Profit or Loss</b> | <b>3,966.83</b>               | <b>2,793.22</b>               |

### Note 24 : Depreciation and amortisation expense

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Continuing Operations</b>  |                               |                               |
| Depreciation on Property,Plant and Equipment (including Right of Use Asset) | 6,466.32                      | 6,155.88                      |
| Depreciation on Investment Properties                                       | 112.86                        | 111.91                        |
| Amortisation of Intangible Assets   | 189.67                        | 133.75                        |
| <b>Total Depreciation &amp; Amortisation -Continuing Operations -I</b>      | <b>6,768.85</b>               | <b>6,401.54</b>               |
| <b>Discontinued Operations</b>  |                               |                               |
| Depreciation on Property,Plant and Equipment                                | -                             | -                             |
| Depreciation on Investment Properties                                       | -                             | -                             |
| Amortisation of Intangible Assets   | -                             | -                             |
| <b>Total Depreciation &amp; Amortisation -Discontinued Operations -II</b>   | <b>-</b>                      | <b>-</b>                      |
| <b>Total Depreciation and amortisation expenses (I+II)</b>                  | <b>6,768.85</b>               | <b>6,401.54</b>               |

### Note 26 : Other expenses

| Particulars                                      | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Consumption of Stores and Other Consumable Items | 7,767.46                      | 6,824.76                      |
| <b>Repairs &amp; Maintenance</b>                 |                               |                               |
| Plant & Machinery                                | 406.06                        | 388.58                        |
| Buildings  | 746.57                        | 583.56                        |
| Others   | 1,342.53                      | 1,151.02                      |
| Fuel And Oil Consumed                            | 1,572.77                      | 2,013.75                      |
| Power & Electricity                              | 6,369.09                      | 5,551.19                      |
| Job Work Charges                                 | 2,862.66                      | 7,002.26                      |
| Labour Charges                                   | 8,232.29                      | 8,238.71                      |
| Water Charges                                    | 144.56                        | 134.51                        |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Other Manufacturing Expenses  | 892.28                        | 799.36                        |
| Freight & Other Export Charges  | 6,059.98                      | 13,014.90                     |
| Selling & Distribution Expenses on Sales  | 2,045.95                      | 1,820.81                      |
| Advertisement Expenses  | 135.52                        | 248.12                        |
| Warehouse & Handling Charges  | 869.55                        | 299.40                        |
| Commission/Brokerage  | 1,346.28                      | 1,178.74                      |
| Sales Promotion   | 346.27                        | 227.36                        |
| Travelling & Conveyance Expenses  | 1,824.81                      | 1,569.51                      |
| Vehicle Expenses  | 498.04                        | 432.29                        |
| Licence, Legal, Professional and Management Expenses                              | 2,149.37                      | 1,868.52                      |
| Rent, Rates & Taxes   | 1,397.57                      | 1,025.71                      |
| Insurance expenses  | 1,546.96                      | 1,105.64                      |
| Director Fees   | 4.70                          | 3.90                          |
| Technical Training Expenses   | 190.44                        | 83.29                         |
| Printing & Stationery   | 181.76                        | 141.19                        |
| Postage, Telegram & Telephone Expenses  | 343.99                        | 275.53                        |
| Miscellaneous Expenses  | 52.25                         | 44.88                         |
| Loss on Sale of property, plant & equipment                                       | 20.36                         | -                             |
| Expenditure incurred for Corporate Social Responsibility (CSR) (Refer Note No 41) | 443.00                        | 363.77                        |
| Donation  | 11.00                         | -                             |
| Payment to Auditors - Note 25 (a) below   | 51.18                         | 45.64                         |
| Sundry Balances written off   | 65.83                         | 90.86                         |
| Bad Debts   | 302.97                        | 620.34                        |
| <b>Total Other expenses</b>   | <b>50,224.05</b>              | <b>57,148.10</b>              |

### Note 25 (a) : Details of Payment to Auditors

| Particulars                           | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---------------------------------------|-------------------------------|-------------------------------|
| <b>Payment to Auditors</b>            |                               |                               |
| <b>As Auditor :</b>                   |                               |                               |
| Audit Fees                            | 42.22                         | 37.60                         |
| Tax Audit Fees                        | 8.00                          | 7.00                          |
| <b>In other capacities :</b>          |                               |                               |
| Taxation matters / Certification Fees | 0.65                          | 1.00                          |
| Out of Pocket Expenses                | 0.31                          | 0.04                          |
| <b>Total Payment to Auditors</b>      | <b>51.18</b>                  | <b>45.64</b>                  |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Note 26 : Exceptional Items

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Payment of Retrenchment Compensation ( on Closure of Yarn Unit Located at Murbad) | 875.58                        | -                             |
| <b>Total</b>  | <b>875.58</b>                 | <b>-</b>                      |

### Note 27 : Tax Expenses

#### (a) Amounts recognised in profit or loss

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Tax expenses recognised in the Statement of Profit &amp; Loss of Continuing Operations</b>   |                               |                               |
| <b>Current tax expense</b>  |                               |                               |
| Current year tax  | 8,164.84                      | 9,211.93                      |
| Short/(Excess) provision of taxation for earlier years  | 274.22                        | 6.89                          |
|   | 8,439.06                      | 9,218.82                      |
| <b>Deferred tax expense</b>   |                               |                               |
| Origination and reversal of temporary differences   | 800.45                        | (495.58)                      |
| <b>Total tax expenses of Continuing Operations</b>  | <b>9,239.51</b>               | <b>8,723.24</b>               |
| <b>Tax expenses recognised in the Statement of Profit &amp; Loss of Discontinued Operations</b> |                               |                               |
| <b>Current tax expense</b>  |                               |                               |
| Current year tax  | -                             | (7.59)                        |
| Short/(Excess) provision of taxation for earlier years  | -                             | -                             |
| <b>Deferred tax expense</b>   |                               |                               |
| Origination and reversal of temporary differences   | (17.28)                       | 133.43                        |
| <b>Total tax expenses of Discontinued Operations</b>  | <b>(17.28)</b>                | <b>125.84</b>                 |
| <b>Total tax expenses of Continuing &amp; Discontinued Operations</b>                           | <b>9,222.23</b>               | <b>8,849.08</b>               |

#### (b) Amounts recognised in other comprehensive income

| Particulars   | Year Ended 31st March, 2024 |                         |                 | Year Ended 31st March, 2023 |                         |                 |
|---|-----------------------------|-------------------------|-----------------|-----------------------------|-------------------------|-----------------|
|   | Before tax                  | Tax expense / (benefit) | Net of tax      | Before tax                  | Tax expense / (benefit) | Net of tax      |
| <b>Items that will not be reclassified to profit &amp; loss</b> |                             |                         |                 |                             |                         |                 |
| Remeasurements of the defined benefit plans                     | (116.70)                    | (29.37)                 | (87.33)         | 42.14                       | 10.60                   | 31.54           |
| <b>Items that will be reclassified to Profit &amp; Loss</b>     |                             |                         |                 |                             |                         |                 |
| Foreign Currency translation                                    | (448.40)                    | -                       | (448.40)        | (601.10)                    | -                       | (601.10)        |
| <b>Total Other Comprehensive Income</b>                         | <b>(565.10)</b>             | <b>(29.37)</b>          | <b>(535.73)</b> | <b>(558.96)</b>             | <b>10.60</b>            | <b>(569.56)</b> |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### (c) Reconciliation of effective tax rate

| Particulars  | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>Profit before tax from Continuing &amp; Discontinued Operations</b>                               | <b>37,146.05</b>              | <b>36,677.51</b>              |
| Applicable Tax Rate (Current year 25.168 % and Previous Year 25.168%)                                | 9,348.92                      | 9,231.00                      |
| <b>Tax effect of :</b>   |                               |                               |
| Tax effect on non-deductible/ Allowable on Payment Basis expenses                                    | 177.11                        | 39.02                         |
| Excess of depreciation over books under Income Tax Act   | 1,407.03                      | 289.38                        |
| Deductions under various sections of Income Tax Act  | (29.34)                       | (27.44)                       |
| Effect of taxation of capital gains  | (421.17)                      | (1,382.20)                    |
| Others   | (1351.40)                     | 1,095.80                      |
| Taxation of Earlier years  | 274.22                        | 6.89                          |
| Difference in Tax Rate   | (183.14)                      | (403.37)                      |
| <b>Tax expense as per Statement of Profit &amp; Loss ( Continuing &amp; Discontinued Operations)</b> | <b>9,222.23</b>               | <b>8,849.08</b>               |
| <b>Effective tax rate</b>  | <b>24.83%</b>                 | <b>24.13%</b>                 |

### (d) Movement in deferred tax balances

| Particulars   | 31st March 2024   |   |   |  |                                 | As at 31st<br>March 2024<br>Deferred<br>Tax Asset/<br>(Liabilities) |
|---|---|---|---|--|---------------------------------|---|
|   | As at 1st<br>April 2023<br>Deferred<br>Tax Asset /<br>(Liabilities) | Deferred<br>Tax Asset /<br>(Liabilities)<br>acquired on<br>acquisition<br>of Subsidiary | (Credit ) /<br>Charge in the<br>Statement of<br>Profit or Loss<br>of Continuing<br>Operations | (Credit ) /<br>Charge in the<br>Statement<br>of Profit<br>or Loss of<br>Discontinued<br>Operations | (Credit )<br>/ Charge<br>in OCI |   |
| <b>Deferred tax Asset/<br/>(Liabilities)</b>                                    |   |   |   |  |                                 |   |
| Property, plant and<br>equipment, Intangible<br>assets & Investment<br>Property | (593.14)  | (4.02)  | 1,208.16  | (17.28)  | -                               | (1,788.04)  |
| Employee Benefits   | 651.23  | 210.31  | 25.65   | -  | (29.37)                         | 865.42  |
| Investments   | (612.90)  | (6.56)  | 542.68  | -  | -                               | (1,162.14)  |
| Tax Loss  | 220.30  | -   | (161.86)  | -  | -                               | 382.16  |
| Others  | (35.38)   | -   | (814.18)  | -  | -                               | 778.80  |
| <b>Deferred tax Asset /<br/>(Liabilities)-Net</b>                               | <b>(369.89)</b>   | <b>199.73</b>   | <b>800.45</b>   | <b>(17.28)</b>   | <b>(29.37)</b>                  | <b>(923.80)</b>   |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | 31st March 2023  |  |  |                                |   |
|---|--|--|--|--------------------------------|---|
|   | As at 1st April 2022<br>Deferred<br>Tax Asset /<br>(Liabilities) | (Credit) /<br>Charge in the<br>Statement of<br>Profit or Loss<br>of Continuing<br>Operations | (Credit) /<br>Charge in the<br>Statement of<br>Profit or Loss<br>of Discontinued<br>Operations | (Credit) /<br>Charge<br>in OCI | As at 31st<br>March 2023<br>Deferred<br>Tax Asset/<br>(Liabilities) |
| <b>Deferred tax Asset/ (Liabilities)</b>                                  |  |  |  |                                |   |
| Property, plant and equipment,<br>Intangible assets & Investment Property | (436.04)   | 23.67  | 133.43   | -                              | (593.14)  |
| Employee Benefits   | 654.75   | (7.08)   | -  | 10.60                          | 651.23  |
| Investments   | (1,148.41)   | (535.51)   | -  | -                              | (612.90)  |
| Tax Loss  | 238.45   | 18.15  | -  | -                              | 220.30  |
| Others  | (30.19)  | 5.19   | -  | -                              | (35.38)   |
| <b>Deferred tax Asset / (Liabilities)-Net</b>                             | <b>(721.44)</b>  | <b>(495.58)</b>  | <b>133.43</b>  | <b>10.60</b>                   | <b>(369.89)</b>   |

### 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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| Revenue from Operations                                 | -                             | -                             |
| Reversal of Impairment Loss Recognised in Earlier years | -                             | 500.00                        |
| Other Income  | -                             | -                             |
| <b>Total Income</b>                                     | <b>-</b>                      | <b>500.00</b>                 |
| Operating Expenses                                      | -                             | -                             |
| Provision for Impairment Loss                           | 68.64                         | -                             |
| Finance Cost  | -                             | -                             |
| <b>Total Expenses</b>                                   | <b>68.64</b>                  | <b>-</b>                      |
| <b>Profit / (Loss) before Tax</b>                       | <b>(68.64)</b>                | <b>500.00</b>                 |
| Tax expenses / (credit)                                 | (17.28)                       | 125.84                        |
| <b>Profit / (Loss) after Tax</b>                        | <b>(51.36)</b>                | <b>374.16</b>                 |

### Note 29 : Earnings per equity share:

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>For Continuing Operations</b>  |                               |                               |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)   | 26,471.83                     | 26,335.50                     |
| Weighted Average No of shares Outstanding during the year                   | 22,961,687                    | 24,066,216                    |
| Earnings per Share -Basic & Diluted ( Face Value of ₹ 10/- per Share)(in ₹) | <b>115.28</b>                 | <b>109.43</b>                 |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>For Discontinued Operations</b>  |                               |                               |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)   | (51.36)                       | 374.16                        |
| Weighted Average No of shares Outstanding during the year                   | 22,961,687                    | 24,066,216                    |
| Earnings per Share -Basic & Diluted ( Face Value of ₹ 10/- per Share)(in ₹) | <b>(0.22)</b>                 | <b>1.55</b>                   |
| <b>For Continuing &amp; Discontinued Operations</b>                         |                               |                               |
| Net Profit after tax attributable to the Equity Shareholders (₹ in Lakhs)   | 26,420.47                     | 26,709.66                     |
| Weighted Average No of shares Outstanding during the year                   | 22,961,687                    | 24,066,216                    |
| Earnings per Share -Basic & Diluted ( Face Value of ₹ 10/- per Share)(in ₹) | <b>115.06</b>                 | <b>110.98</b>                 |

### Note 31 : Contingent Liabilities & Commitments (to the extent not Provided for)

#### Contingent Liabilities

| S.No  | Contingent Liabilities not provided For  | As at<br>31st March 2024 | As at<br>31st March 2023 |
|-------|--|--------------------------|--------------------------|
| 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. | 2,782.23                 | 2,756.71                 |
| 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.                                      | 3,336.20                 | 3,286.80                 |
| III.  | Corporate Guarantee aggregating to Pounds 25,00,000 (P.Y Pounds 25,00,000) given to Banks on behalf of Technocraft International Ltd, UK.  | 2,625.81                 | 2,541.19                 |
| IV.   | Corporate Guarantee aggregating to USD 8,00,000 (P.Y USD 8,00,000 ) given to Banks on behalf of Technosoft Engineering Inc.,USA  | 667.24                   | 657.36                   |
| 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.  | 12,510.75                | 12,325.50                |
| VI    | Corporate Guarantee aggregating to USD 30,00,000 (P.Y USD 20,00,000) given to Banks on behalf of Technocraft NZ Limited  | 2,502.15                 | 1,643.40                 |
| VII.  | Corporate Guarantee aggregating to ₹100,00,00,000 (P.Y ₹100,00,00,000) given to Banks on behalf of Technocraft Textiles Limited  | 10,000.00                | 10,000.00                |
| VIII. | Corporate Guarantee aggregating to ₹ 2,12,00,00,000 (P.Y NIL) given to Banks on behalf of Technocraft Extrusions Private Limited   | 21,200.00                | -                        |
| IX.   | Corporate Guarantee aggregating to ₹ 120,10,00,000 (P.Y NIL) given to Banks on behalf of Technocraft Form Work Private Limited   | 12,010.00                | -                        |
| X     | Bank Guarantee issued in favour of Suppliers, Customers & Other Statutory Authorities  | 4,290.19                 | 3,922.34                 |
| XI    | Excise Duty Matters  | # 526.70                 | # 1642.37                |
| XII   | Service Tax Matters  | # 243.53                 | # 243.53                 |
| XIII. | Goods & Service Tax Matters  | # 193.17                 | # 83.16                  |
| XIV   | Income Tax Matters   | 2,007.15                 | 1,527.45                 |
| XV    | Other Legal Matters  | 2,875.29                 | 2,875.29                 |

# includes Penal Amount also.

The above amount are net of the amount if any deposited / Adjusted



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Commitments

| S. Particulars<br>No   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| I. Estimated Amount of Capital Contracts remaining to be executed and not Provided for (net of capital advances) | 6,870.40                      | 9,271.10                      |

### 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<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Non Current Assets</b>                           |                          |                          |
| <b>Property, Plant &amp; Equipment</b>              |                          |                          |
| Lease Hold Land                                     | 613.43                   | 539.07                   |
| Free Hold Land                                      | 4,243.34                 | 291.88                   |
| Investment Property                                 | 105.29                   | 110.78                   |
| Building / Factory Building                         | 18,943.73                | 9,837.93                 |
| Plant & Machinery                                   | 25,714.39                | 9,865.11                 |
| Capital Work in Progress                            | 177.67                   | 3,304.28                 |
| <b>Other Financial Assets</b>                       |                          |                          |
| Fixed Deposits with Bank                            | 419.71                   | 2,948.97                 |
| Investments   | 2,481.92                 | 2,309.26                 |
| <b>Total Non Current Assets Pledged as security</b> | <b>52,699.48</b>         | <b>29,207.28</b>         |
| <b>Current Assets</b>                               |                          |                          |
| Inventories   | 64,365.41                | 69,486.10                |
| <b>Other Financial Assets</b>                       |                          |                          |
| Trade Receivables #                                 | 34,650.89                | 34,458.18                |
| Fixed Deposits with Banks                           | 3,530.18                 | 626.23                   |
| Investments   | 623.30                   | 525.12                   |
| <b>Total Current Assets Pledged as security</b>     | <b>103,169.78</b>        | <b>105,095.63</b>        |
| <b>Total Assets Pledged as Security</b>             | <b>155,869.26</b>        | <b>134,302.91</b>        |

# 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.





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>Segment Revenue</b>                                   |                               |                               |
| a. Drum Closures Division                                | 54,302.59                     | 53,477.86                     |
| b. Scaffoldings Division                                 | 103,239.87                    | 88,944.21                     |
| c. Yarn Division   | 31,275.32                     | 34,268.49                     |
| d. Fabric Division                                       | 17,905.84                     | 18,145.59                     |
| e. Engineering & Design                                  | 19,839.95                     | 13,621.95                     |
| f. Others  | -                             | 22.36                         |
| <b>Total</b>   | <b>226,563.57</b>             | <b>208,480.46</b>             |
| <b>Less : Inter Segment Revenue</b>                      |                               |                               |
| a. Drum Closures Division                                | 265.26                        | 175.85                        |
| b. Scaffoldings Division                                 | 27.06                         | 19.23                         |
| c. Yarn Division   | 7,861.23                      | 9,121.91                      |
| d. Fabric Division                                       | -                             | 537.67                        |
| e. Engineering & Design                                  | 247.18                        | 172.61                        |
| f. Others  | -                             | -                             |
|  | <b>8,400.73</b>               | <b>10,027.27</b>              |
| <b>External Revenue from Operations</b>                  |                               |                               |
| a. Drum Closures Division                                | 54,037.33                     | 53,302.01                     |
| b. Scaffoldings Division                                 | 103,212.81                    | 88,924.98                     |
| c. Yarn Division   | 23,414.09                     | 25,146.58                     |
| d. Fabric Division                                       | 17,905.84                     | 17,607.92                     |
| e. Engineering & Design                                  | 19,592.77                     | 13,449.34                     |
| f. Others  | -                             | 22.36                         |
| <b>Total External Revenue from Continuing Operations</b> | <b>218,162.84</b>             | <b>198,453.19</b>             |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>Discontinued Operations</b>  |                               |                               |
| Power Division  | -                             | -                             |
| Less : Inter Segment Revenue  | -                             | -                             |
| <b>Total External Revenue from Discontinued Operations</b>                          | -                             | -                             |
| <b>Total External Revenue from Continuing &amp; Discontinued Operations</b>         | <b>218,162.84</b>             | <b>198,453.19</b>             |
| <b>Results</b>  |                               |                               |
| <b>Segment Result</b>   |                               |                               |
| a. Drum Closures Division   | 18,578.22                     | 16,251.79                     |
| b. Scaffoldings Division  | 18,383.71                     | 22,724.68                     |
| c. Yarn Division  | (630.07)                      | (1,769.08)                    |
| d. Fabric Division  | (1,054.03)                    | (1,244.11)                    |
| e. Engineering & Design   | 3,781.64                      | 2,721.46                      |
| f. Others   | (21.26)                       | (40.36)                       |
| <b>Segment operating Profit</b>   | <b>39,038.21</b>              | <b>38,644.38</b>              |
| <b>Reconciliation of Segment Operating Profit to Operating Profit</b>               |                               |                               |
| <b>Unallocable Income / ( Expenses)</b>   |                               |                               |
| Employee benefit Expenses   | (953.16)                      | (922.44)                      |
| Depreciation & Amortisation   | (333.70)                      | (138.10)                      |
| Other Expenses  | (1,040.91)                    | (1,322.26)                    |
| Interest Income   | 217.60                        | 138.74                        |
| Net Gain on Investments & Investment Property                                       | 4,525.39                      | 1,909.22                      |
| Rental Income   | 389.27                        | 310.34                        |
| Other Income  | 214.80                        | 350.87                        |
| <b>Operating Profit</b>   | <b>42,057.50</b>              | <b>38,970.75</b>              |
| <b>Less</b>   |                               |                               |
| Finance Cost  | 3,966.83                      | 2,793.22                      |
| Share of Loss in Associate  | 0.40                          | 0.02                          |
| <b>Net Profit before tax &amp; Exceptional Items from Continuing Operations</b>     | <b>38,090.27</b>              | <b>36,177.51</b>              |
| Exceptional Items (Refer Note No 26)  | 875.58                        | -                             |
| <b>Net Profit before tax but after Exceptional Items from Continuing Operations</b> | <b>37,214.69</b>              | <b>36,177.51</b>              |
| <b>Less</b>   |                               |                               |
| Income Tax Expenses   | 8,439.06                      | 9,218.82                      |
| Deferred Tax Expenses (net)   | 800.45                        | (495.58)                      |
| <b>Net Profit After Tax from Continuing Operations</b>                              | <b>27,975.18</b>              | <b>27,454.27</b>              |
| <b>Net Profit After Tax from Discontinued Operations-Power Division</b>             | <b>(51.36)</b>                | <b>374.16</b>                 |
| <b>Net Profit After Tax from Continuing &amp; Discontinued Operations</b>           | <b>27,923.82</b>              | <b>27,828.43</b>              |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

|   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| <b>Segment Assets</b>   |                          |                          |
| a. Drum Closures Division   | 41,749.74                | 32,108.23                |
| b. Scaffoldings Division  | 110,672.00               | 107,832.64               |
| c. Yarn Division  | 43,060.58                | 32,558.71                |
| d. Fabric Division  | 13,460.28                | 12,871.90                |
| e. Engineering & Design   | 8,515.91                 | 6,910.60                 |
| f. Others   | 47.50                    | 26.49                    |
| <b>Segment Operating Assets</b>   | <b>217,506.01</b>        | <b>192,308.57</b>        |
| <b>Reconciliation of Segment Operating assets to Total Assets</b>           |                          |                          |
| <b>Non Current Assets</b>   |                          |                          |
| Property, Plant & Equipment   | 2,067.45                 | 1,858.88                 |
| Capital WIP   | 78.90                    | 78.90                    |
| Investment Properties   | 1,235.15                 | 1,341.71                 |
| Intangible Assets   | 5.61                     | 4.69                     |
| Non Current Investments   | 35,272.28                | 28,781.85                |
| Other Financial Assets  | 100.57                   | 2,731.33                 |
| Other Non Current Assets  | 33.00                    | 215.37                   |
| <b>Current Assets</b>   |                          |                          |
| Current Investments   | 5,684.21                 | 4,306.50                 |
| Cash & Cash Equivalent  | 3,360.99                 | 2,126.46                 |
| Other Bank Balances   | 2,591.22                 | 53.41                    |
| Other Financial Assets  | 27.89                    | 54.47                    |
| Loans   | 583.09                   | 1,226.39                 |
| Other Current Assets  | 695.42                   | 855.32                   |
| <b>Unallocable Assets</b>   | <b>51,735.78</b>         | <b>43,635.28</b>         |
| <b>Total Assets of Continuing Operations</b>                                | <b>269,241.79</b>        | <b>235,943.85</b>        |
| <b>Total Assets of Discontinued Operations -Power Division</b>              | <b>-</b>                 | <b>481.73</b>            |
| <b>Total Assets</b>   | <b>269,241.79</b>        | <b>236,425.58</b>        |
| <b>Segment Liabilities</b>  |                          |                          |
| a. Drum Closures Division   | 6,793.30                 | 6,046.49                 |
| b. Scaffoldings Division  | 8,986.05                 | 9,543.49                 |
| c. Yarn Division  | 6,108.57                 | 3,211.46                 |
| d. Fabric Division  | 3,108.18                 | 1,803.81                 |
| e. Engineering & Design   | 1,805.79                 | 1,535.30                 |
| f. Others   | 5.19                     | 12.37                    |
| <b>Segment Operating Liabilities</b>  | <b>26,807.08</b>         | <b>22,152.92</b>         |
| <b>Reconciliation of Segment Operating Liabilities to Total Liabilities</b> |                          |                          |
| <b>Non Current Liabilities</b>  |                          |                          |
| Non Current Borrowings  | 12,729.31                | 2,962.87                 |
| Other Financial Liabilities   | 52.95                    | 23.82                    |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

|   | As at<br>31st March 2024              | As at<br>31st March 2023              |
|---|---------------------------------------|---------------------------------------|
| Deferred Tax Liability (net)  | 923.80                                | 369.89                                |
| Provisions  | 1,597.67                              | 1,760.90                              |
| <b>Current Liabilities</b>  |                                       |                                       |
| Current Borrowings  | 54,777.43                             | 62,618.29                             |
| Other Financial Liabilities   | 483.31                                | 778.46                                |
| Provisions  | 167.40                                | 168.37                                |
| Current Tax Liabilities (net)   | 311.80                                | 1,268.65                              |
| Other Current Liabilities   | 15.02                                 | 24.75                                 |
| <b>Unallocable Liabilities</b>  | <b>71,058.69</b>                      | <b>69,976.00</b>                      |
| <b>Total Liabilities of Continuing Operations</b>                                     | <b>97,865.77</b>                      | <b>92,128.92</b>                      |
| <b>Total Liabilities of Discontinued Operations -Power Division</b>                   | <b>-</b>                              | <b>59.14</b>                          |
| <b>Total Liabilities</b>  | <b>97,865.77</b>                      | <b>92,188.06</b>                      |
| <b>Capital Expenditure (excluding CWIP)</b>   | <b>Year Ended<br/>31st March 2024</b> | <b>Year Ended<br/>31st March 2023</b> |
| a. Drum Closures Division   | 1,714.85                              | 826.03                                |
| b. Scaffoldings Division  | 13,728.33                             | 2,879.11                              |
| c. Yarn Division  | 17,670.28                             | 347.38                                |
| d. Fabric Division  | 589.78                                | 1,740.61                              |
| e. Engineering & Design   | 732.67                                | 603.09                                |
| f. Others   | 1.00                                  | -                                     |
| g. Unallocable  | 430.87                                | 1,651.45                              |
| <b>Total Capital expenditure of Continuing Operations</b>                             | <b>34,867.78</b>                      | <b>8,047.67</b>                       |
| <b>Total Capital expenditure of Discontinued Operations -Power Division</b>           | <b>-</b>                              | <b>-</b>                              |
| <b>Total</b>  | <b>34,867.78</b>                      | <b>8,047.67</b>                       |
| <b>Depreciation &amp; Amortization</b>  | <b>Year Ended<br/>31st March 2024</b> | <b>Year Ended<br/>31st March 2023</b> |
| a. Drum Closures Division   | 699.75                                | 887.79                                |
| b. Scaffoldings Division  | 1,868.04                              | 1,322.65                              |
| c. Yarn Division  | 2,117.36                              | 2,514.90                              |
| d. Fabric Division  | 1,261.80                              | 1,187.97                              |
| e. Engineering & Design   | 487.65                                | 348.93                                |
| f. Others   | 0.55                                  | 1.21                                  |
| g. Unallocable  | 333.70                                | 138.09                                |
| <b>Total Depreciation &amp; Amortisation of Continuing Operations</b>                 | <b>6,768.85</b>                       | <b>6,401.54</b>                       |
| <b>Total Depreciation &amp; Amortisation of Discontinued Operation-Power Division</b> | <b>-</b>                              | <b>-</b>                              |
| <b>Total Depreciation &amp; Amortisation</b>  | <b>6,768.85</b>                       | <b>6,401.54</b>                       |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Secondary Segment

#### Geographic Information

| Revenue from External Customers   | Year Ended<br>31st March 2024    | Year Ended<br>31st March 2023    |
|---|----------------------------------|----------------------------------|
| <b>Continuing Operations</b>  |                                  |                                  |
| India   | 68,113.62                        | 69,475.36                        |
| Outside India   | 150,049.22                       | 128,977.83                       |
| <b>Total External Revenue from Continuing Operations</b>                    | <b>218,162.84</b>                | <b>198,453.19</b>                |
| <b>Discontinued Operations</b>  |                                  |                                  |
| India   | -                                | -                                |
| Outside India   | -                                | -                                |
| <b>Total External Revenue from Discontinued Operations</b>                  | <b>-</b>                         | <b>-</b>                         |
| <b>Total External Revenue from Continuing &amp; Discontinued Operations</b> | <b>218,162.84</b>                | <b>198,453.19</b>                |
| <b>Non Current Operating Assets</b>   | <b>As at<br/>31st March 2024</b> | <b>As at<br/>31st March 2023</b> |
| India   | 63,727.26                        | 40,684.71                        |
| Outside India   | 6,558.61                         | 6,651.74                         |
| <b>Total</b>  | <b>70,285.87</b>                 | <b>47,336.45</b>                 |

Non Current Operating Assets for this purpose consists of Property, Plant and equipment, Investment properties, intangible assets and Capital work in Progress

#### Note

1. No single Customer Contributed 10% or more to the Group revenue for the year ended 31st March 2024 & 31st March 2023
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)



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Enterprises in which KMP / Relatives of KMP are Interested

1. BMS Industries Private Ltd (till 30-6-2023)
2. S.K.Saraf HUF
3. Navneet Kumar Saraf HUF
4. Ashish Kumar Saraf HUF
5. Ashrit Holdings Limited
6. M.D.Saraf Securities Pvt Limited
7. Marigold International Limited
8. Topline International Trading Company (FZE)
9. Paithan Eco Foods Pvt Ltd

### Relatives of KMP

1. Shakuntala Saraf
2. Suman Saraf
3. Nidhi Saraf
4. Priyanka Saraf
5. 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

### Enterprise in which Non Executive Director is interested

1. Remi Edelstahl Tubular Ltd

### Trust

1. Shanti Seva Nidhi Trust
2. Technocraft Industries (I) Ltd Employees Group Gratuity Trust

| Transactions during the Year                   | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| <b>A. Sales of Goods &amp; Services</b>        |                               |                               |
| <b>Enterprises in which KMP are Interested</b> |                               |                               |
| BMS Industries Private Limited                 | 36.13                         | 144.00                        |
| <b>Trust</b>                                   |                               |                               |
| Shanti Seva Nidhi Trust                        | 2.37                          | 15.33                         |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Transactions during the Year                                    | Year Ended<br>31st March 2024 | Year Ended<br>31st March 2023 |
|---|-------------------------------|-------------------------------|
| <b>B. Rent Received</b>   |                               |                               |
| <b>Relatives of KMP</b>   |                               |                               |
| Priyanka Saraf  | 12.00                         | 12.00                         |
| <b>Enterprises in which KMP are Interested</b>                  |                               |                               |
| 1.BMS Industries Private Limited                                | -                             | 2.00                          |
| 2.M.D.Saraf Securities Pvt Ltd                                  | 0.05                          | 0.01                          |
| 3.Ashrit Holdings Limited                                       | 0.05                          | 0.01                          |
| 4.Paithan Eco Foods Pvt Ltd                                     | -                             | 0.01                          |
| <b>C. Professional Fees Paid</b>                                |                               |                               |
| <b>Relatives of KMP</b>   |                               |                               |
| 1.Renu Rai  | 6.12                          | 5.12                          |
| <b>D. Commission Paid on Sales</b>                              |                               |                               |
| <b>Enterprise in which Non Executive Director is Interested</b> |                               |                               |
| 1.Remi Edelstahl Tubular Ltd                                    | 76.86                         | 56.49                         |
| <b>E. Sitting Fees</b>  |                               |                               |
| <b>Non Executive Directors</b>                                  |                               |                               |
| Director Sitting Fees   | 4.70                          | 3.90                          |
| <b>F. Job Work Charges Paid</b>                                 |                               |                               |
| <b>Enterprises in which KMP are Interested</b>                  |                               |                               |
| 1.BMS Industries Private Limited                                | 1,659.11                      | 6,170.98                      |
| <b>G. Purchase of Materials / Assets / Stores &amp; Spares</b>  |                               |                               |
| <b>Enterprises in which KMP are Interested</b>                  |                               |                               |
| 1.BMS Industries Private Limited                                | 66.73                         | 444.76                        |
| <b>H. Rent Paid</b>   |                               |                               |
| <b>Enterprises in which KMP are Interested</b>                  |                               |                               |
| 1.S.K.Saraf HUF   | 24.00                         | 24.00                         |
| <b>I. Managerial Remuneration</b>                               |                               |                               |
| <b>Key Managerial Personneel</b>                                |                               |                               |
| Salaries ,Wages ,Bonus , Commission & Other Benefits            | 615.31*                       | 613.76*                       |
| Contribution towards P.F.,Family Pension Etc                    | 2.14                          | 1.92                          |
| <b>J. Advancement of Loan</b>                                   |                               |                               |
| <b>Enterprises in which KMP are Interested</b>                  |                               |                               |
| 1.Marigold International Limited                                | # 1.57                        | # 12.77                       |
| 2.Topline International Trading Company (FZE)                   | # 15.34                       | # 1.48                        |
| # excluding Forex Effect  |                               |                               |





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Transactions during the Year  | Year Ended<br>31st March 2024    | Year Ended<br>31st March 2023    |
|---|----------------------------------|----------------------------------|
| <b>K. Investment in Equity Shares of BMS Industries Private Limited<br/>KMP/ Relatives of KMP / Enterprises in which KMP are interested</b> |                                  |                                  |
| 1.Sharad Kumar Saraf  | 796.05                           | -                                |
| 2.Sudarshan Kumar Saraf   | 5.51                             | -                                |
| 3.Navneet Kumar Saraf   | 874.94                           | -                                |
| 4.Ashish Kumar Saraf  | 892.69                           | -                                |
| 5.Shakuntala Saraf  | 943.98                           | -                                |
| 6.Suman Saraf   | 2,320.16                         | -                                |
| 7.Nidhi Saraf   | 274.55                           | -                                |
| 8.Priyanka Saraf  | 842.46                           | -                                |
| 9.Navneet Kumar Saraf (HUF)   | 31.68                            | -                                |
| 10.Ashish Kumar Saraf (HUF)   | 31.67                            | -                                |
| 11.Ashrit Holdings Limited  | 0.91                             | -                                |
| <b>L. Trust</b>   |                                  |                                  |
| <b>Technocraft Industries (I) Ltd Employees Group Gratuity Trust</b>  |                                  |                                  |
| Gratuity Contribution   | 300.00                           | 250.75                           |
| Gratuity Benefits received  | 223.06                           | 335.33                           |
| <b>Amount due to / From Related Parties</b>   | <b>As at<br/>31st March 2024</b> | <b>As at<br/>31st March 2023</b> |
| <b>Loans Receivable</b>   |                                  |                                  |
| 1.Marigold International Limited  | 67.25                            | 64.70                            |
| 2.Topline International Trading Company (FZE)   | 193.48                           | 175.47                           |
| <b>Trade Payables / Other Financial Liabilities</b>   |                                  |                                  |
| <b>Enterprises in which KMP are Interested</b>  |                                  |                                  |
| 1.BMS Industries Private Limited  | -                                | 2,593.61                         |
| <b>Enterprises in Which Non Executive Director is Interested</b>  |                                  |                                  |
| 1.Remi Edelstahl Tubular Ltd  | 80.59                            | 14.49                            |
| <b>Commission &amp; Bonus Payable</b>   |                                  |                                  |
| 1.Key Managerial Personnel  | 230.78                           | 230.78                           |
| <b>Gratuity Contribution &amp; Administration Charges Payable</b>   |                                  |                                  |
| <b>Trust</b>  |                                  |                                  |
| 1.Technocraft Industries (I) Ltd Employees Group Gratuity Trust   | 1,770.50                         | 1,934.68                         |

### Note

- The transactions with related parties are made on terms equivalent to those that Prevail in arm's Length transactions



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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
- 2) Transactions with BMS Industries Private Limited for the year ended 31st March 2024 are reported from 1st April 2023 to 30th June 2023 only as from 1st July 2023 the same was acquired by Technocraft Industries (india) Limited as 100% Subsidiary Company.

### 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 | 2023-2024 | 2022-2023 |
|---|-----------|-----------|
| Defined Contribution Scheme                           | 689.95    | 514.37    |

##### 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 Aditya Birla Sun Life Insurance Company Limited 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.  | 2023-2024       |                 | 2022-2023       |               |
|--|-----------------|-----------------|-----------------|---------------|
|  | Funded          | Unfunded        | Funded          | Unfunded      |
| Present value of funded obligations                            | 2,338.34        | 1,002.24        | 2,354.75        | 177.39        |
| Fair Value of plan assets                                      | 573.26          | -               | 425.49          | -             |
| <b>Net (Asset) / Liability recognised in the balance sheet</b> | <b>1,765.08</b> | <b>1,002.24</b> | <b>1,929.26</b> | <b>177.39</b> |

##### Movements in plan assets and plan liabilities

| Particulars                                      | Present value of obligations |               | Fair Value of plan assets |          |
|--|------------------------------|---------------|---------------------------|----------|
|  | Funded                       | Unfunded      | Funded                    | Unfunded |
| <b>As at 1st April 2023</b>                      | <b>2,354.76</b>              | <b>177.39</b> | <b>425.49</b>             | -        |
| Gratuity Obligation on acquisition of Subsidiary | -                            | 710.46        | -                         | -        |
| Current service cost                             | 159.68                       | 59.60         | -                         | -        |
| Interest Cost                                    | 153.01                       | 58.75         | -                         | -        |
| Interest Income                                  | -                            | -             | 16.47                     | -        |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars   | Present value of obligations |                 | Fair Value of plan assets |                |
|---|------------------------------|-----------------|---------------------------|----------------|
|   | Funded                       | Unfunded        | Funded                    | Unfunded       |
| Return on plan assets excluding amounts included in net finance income    | -                            | -               | 54.36                     | -              |
| Actuarial (gain)/loss arising from changes in financial assumptions       | 29.70                        | 14.90           | -                         | -              |
| Actuarial (gain)/loss arising from experience adjustments                 | 86.77                        | 39.69           | -                         | -              |
| Contributions by Employer   | -                            | -               | 300.00                    | -              |
| Benefit payments from Fund  | (223.06)                     | -               | (223.06)                  | -              |
| Benefit payments by Company   | (222.52)                     | (58.55)         | -                         | -              |
| <b>As at 31st March 2024</b>  | <b>2,338.34</b>              | <b>1,002.24</b> | <b>573.26</b>             | <b>-</b>       |
| Particulars   | Present value of obligations |                 | Fair Value of plan assets |                |
|   | Funded                       | Unfunded        | Funded                    | Unfunded       |
| <b>As at 1st April 2022</b>   | <b>2,424.31</b>              | <b>167.26</b>   | <b>509.13</b>             | <b>-</b>       |
| 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                        | -               | -                         | -              |
| Contributions by Employer   | -                            | (9.87)          | 250.75                    | -              |
| Benefit payments  | (335.33)                     | (19.07)         | (335.33)                  | -              |
| <b>As at 31st March 2023</b>  | <b>2,354.76</b>              | <b>177.39</b>   | <b>425.49</b>             | <b>-</b>       |
| b) Amount recognised in Statement of Profit and Loss                      | 2023-2024                    |                 | 2022-2023                 |                |
|   | Funded                       | Unfunded        | Funded                    | Unfunded       |
| Current Service Cost  | 159.68                       | 59.60           | 165.94                    | 32.73          |
| Interest Cost (net)   | 136.54                       | 58.75           | 125.50                    | 12.00          |
| <b>Total amount recognised in Statement of P&amp;L</b>                    | <b>296.22</b>                | <b>118.35</b>   | <b>291.44</b>             | <b>44.73</b>   |
| -Changes in financial assumptions   | 29.70                        | 14.90           | (95.27)                   | (5.66)         |
| -Experience gains/(losses)  | 86.77                        | 39.69           | 54.08                     | (9.87)         |
| Return on plan assets excluding amounts included in Interest Income       | (54.36)                      | -               | 14.59                     | -              |
| <b>Total Expenses / (Income) recognised in Other Comprehensive Income</b> | <b>62.11</b>                 | <b>54.59</b>    | <b>(26.60)</b>            | <b>(15.53)</b> |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Investment pattern for Fund as on

| Category of Asset                 | As at 31st March 2024 |          | As at 31st March 2023 |          |
|-----------------------------------|-----------------------|----------|-----------------------|----------|
|                                   | 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%                    | -        |
| <b>Total</b>                      | <b>100%</b>           | <b>-</b> | <b>100%</b>           | <b>-</b> |

### 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            | 2023-2024                                       |   | 2022-2023                                       |   |
|----------------------------------|---|---|---|---|
|                                  | Funded  | Unfunded  | Funded  | Unfunded  |
| Discount Rate (%)                | 7.20%   | 7.20%   | 7.40%   | 7.50%   |
| 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 31.03.2024 and 31.03.2023 is as below:

| Particulars                       | Increase/Decrease in liability |          | Increase/Decrease in liability |          |
|-----------------------------------|--------------------------------|----------|--------------------------------|----------|
|                                   | 2023-2024                      |          | 2022-2023                      |          |
|                                   | Funded                         | Unfunded | Funded                         | Unfunded |
| Discounting rate varied by 0.5%   |                                |          |                                |          |
| + 0.5%                            | 2,265.63                       | 967.19   | 2,274.27                       | 166.93   |
| - 0.5%                            | 2,416.40                       | 1,039.92 | 2,441.06                       | 188.79   |
| Salary growth rate varied by 0.5% |                                |          |                                |          |
| + 0.5%                            | 2,417.12                       | 1,040.63 | 2,442.14                       | 189.02   |
| - 0.5%                            | 2,264.38                       | 966.25   | 2,272.64                       | 166.64   |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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 2024 & as at 31st March 2023 were as follows:

| Expected contribution  | As at 31st March 2024 |          | As at 31st March 2023 |          |
|--|-----------------------|----------|-----------------------|----------|
|  | Funded                | Unfunded | Funded                | Unfunded |
| <b>Projected benefits payable in future years from the date of reporting</b> |                       |          |                       |          |
| 1st following year   | 685.97                | 237.62   | 574.20                | 3.83     |
| 2nd following year   | 99.45                 | 50.52    | 128.56                | 12.73    |
| 3rd following year   | 268.10                | 55.86    | 113.59                | 4.17     |
| 4th following year   | 151.18                | 65.76    | 264.56                | 4.57     |
| 5th following year   | 201.96                | 92.35    | 164.30                | 9.00     |
| Years 6 to 10  | 844.10                | 482.05   | 948.89                | 86.60    |

### [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                             | 2023-2024     | 2022-2023     |
|---|---------------|---------------|
| Present value of unfunded obligations   | 672.57        | 507.57        |
| <b>Net (Asset)/Liability recognised</b> | <b>672.57</b> | <b>507.57</b> |

#### Reconciliation of balances of Defined Benefit Obligations.

| Particulars  | 2023-2024     | 2022-2023     |
|--|---------------|---------------|
| <b>Defined Obligations at the beginning of the year</b>      | <b>507.57</b> | <b>520.96</b> |
| Leave Salary Obligation on acquisition of Subsidiary         | 125.18        | -             |
| Current Service Cost   | 86.06         | 58.91         |
| Interest Cost  | 41.56         | 33.71         |
| Actuarial loss/(gain) due to change in financial assumptions | 12.40         | (26.76)       |
| Actuarial loss/ (gain) due to experience adjustments         | 12.60         | (19.48)       |
| Benefits paid  | (112.80)      | (59.77)       |
| <b>Defined Obligations at the end of the year</b>            | <b>672.57</b> | <b>507.57</b> |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Amount recognised in Statement of Profit and Loss

| Particulars   | 2023-2024     | 2022-2023      |
|---|---------------|----------------|
| Current Service Cost  | 86.06         | 58.91          |
| Net Interest Cost   | 41.56         | 33.71          |
| Net value of remeasurements on the obligation and plan assets | 25.00         | (46.24)        |
| <b>Total amount recognised in Statement of P&amp;L</b>        | <b>152.62</b> | <b>46.38</b>   |
| Change in Financial Assumptions                               | 12.40         | (26.76)        |
| Experience gains/(losses)                                     | 12.60         | (19.48)        |
| <b>Net Actuarial Loss/(Gain)</b>                              | <b>25.00</b>  | <b>(46.24)</b> |

### Major Actuarial Assumptions

| Particulars                      | 2023-2024                                       | 2022-2023                                       |
|----------------------------------|---|---|
| Discount Rate (%)                | 7.20%   | 7.50%   |
| 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 |

### 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 31.03.2024 and 31.03.2023 is as below:

| Particulars                       | 2023-2024 | 2022-2023 |
|-----------------------------------|-----------|-----------|
| Discounting rate varied by 0.5%   |           |           |
| + 0.5%                            | 524.39    | 483.80    |
| - 0.5%                            | 578.12    | 533.49    |
| Salary growth rate varied by 0.5% |           |           |
| + 0.5%                            | 578.58    | 533.99    |
| - 0.5%                            | 523.75    | 483.18    |

The expected future cash flows as at 31st March 2024 & as at 31st March 2023 were as follows:

| Particulars  | 2023-2024 | 2022-2023 |
|--|-----------|-----------|
| <b>Projected benefits payable in future years from the date of reporting</b> |           |           |
| 1st following year   | 138.11    | 69.46     |
| 2nd following year   | 28.58     | 33.85     |
| 3rd following year   | 52.82     | 23.90     |
| 4th following year   | 43.28     | 49.13     |
| 5th following year   | 42.52     | 39.36     |
| Years 6 to 10  | 236.86    | 182.69    |

### 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.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

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 2024  | Carrying Value       |                             |                  |                   | Fair value       |          |          |                  |
|--|----------------------|-----------------------------|------------------|-------------------|------------------|----------|----------|------------------|
|  | Mandatorily at FVTPL | FVTOCI - designated as such | Amortised Cost   | Total             | Level 1          | Level 2  | Level 3  | Total            |
| <b>Financial assets measured at fair value through Profit and loss :</b> |                      |                             |                  |                   |                  |          |          |                  |
| <b>Non-current :</b>   |                      |                             |                  |                   |                  |          |          |                  |
| Investment In Mutual Funds / Portfolio Management Schemes                | 35,272.25            | -                           | -                | 35,272.25         | 35,272.25        | -        | -        | 35,272.25        |
| <b>Current :</b>   |                      |                             |                  |                   |                  |          |          |                  |
| Investment In Mutual Funds   | 5,544.71             | -                           | -                | 5,544.71          | 5,544.71         | -        | -        | 5,544.71         |
| Investment in Quoted Equity Instruments                                  | 139.50               | -                           | -                | 139.50            | 139.50           | -        | -        | 139.50           |
| <b>Financial assets at amortised cost</b>                                |                      |                             |                  |                   |                  |          |          |                  |
| <b>Non-current :</b>   |                      |                             |                  |                   |                  |          |          |                  |
| Deposits   | -                    | -                           | 990.95           | 990.95            | -                | -        | -        | -                |
| <b>Current :</b>   |                      |                             |                  |                   |                  |          |          |                  |
| Deposits   | -                    | -                           | 284.68           | 284.68            | -                | -        | -        | -                |
| Loan to Employees & Others   | -                    | -                           | 776.27           | 776.27            | -                | -        | -        | -                |
| Cash and cash equivalents  | -                    | -                           | 11,708.44        | 11,708.44         | -                | -        | -        | -                |
| Other Bank Balances  | -                    | -                           | 4,305.28         | 4,305.28          | -                | -        | -        | -                |
| Trade receivables  | -                    | -                           | 45,393.77        | 45,393.77         | -                | -        | -        | -                |
| Others   | -                    | -                           | 713.15           | 713.15            | -                | -        | -        | -                |
|  | <b>40,956.46</b>     | <b>-</b>                    | <b>64,172.54</b> | <b>105,129.00</b> | <b>40,956.46</b> | <b>-</b> | <b>-</b> | <b>40,956.46</b> |
| <b>Financial liabilities at amortised cost</b>                           |                      |                             |                  |                   |                  |          |          |                  |
| <b>Non Current</b>   |                      |                             |                  |                   |                  |          |          |                  |
| Term Loan  | -                    | -                           | 12,729.31        | 12,729.31         | -                | -        | -        | -                |
| Deposits   | -                    | -                           | 74.55            | 74.55             | -                | -        | -        | -                |
| Other Non Current Financial Liabilities                                  | -                    | -                           | 154.31           | 154.31            | -                | -        | -        | -                |
| <b>Current</b>   |                      |                             |                  |                   |                  |          |          |                  |
| Borrowings   | -                    | -                           | 54,777.43        | 54,777.43         | -                | -        | -        | -                |
| Trade and Other Payables   | -                    | -                           | 9,206.78         | 9,206.78          | -                | -        | -        | -                |
| Deposits   | -                    | -                           | 1,033.23         | 1,033.23          | -                | -        | -        | -                |
| Other Current Financial Liabilities                                      | -                    | -                           | 5,141.24         | 5,141.24          | -                | -        | -        | -                |
|  | <b>-</b>             | <b>-</b>                    | <b>83,116.85</b> | <b>83,116.85</b>  | <b>-</b>         | <b>-</b> | <b>-</b> | <b>-</b>         |





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ 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            |
| <b>Financial assets measured at fair value through Profit and loss :</b> |                      |                             |                  |                  |                  |          |          |                  |
| <b>Non-current :</b>   |                      |                             |                  |                  |                  |          |          |                  |
| Investment In Mutual Funds   | 28,781.42            | -                           | -                | 28,781.42        | 28,781.42        | -        | -        | 28,781.42        |
| <b>Current :</b>   |                      |                             |                  |                  |                  |          |          |                  |
| 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           |
| <b>Financial assets at amortised cost</b>                                |                      |                             |                  |                  |                  |          |          |                  |
| <b>Non-current :</b>   |                      |                             |                  |                  |                  |          |          |                  |
| Deposits   | -                    | -                           | 3,405.30         | 3,405.30         | -                | -        | -        | -                |
| <b>Current :</b>   |                      |                             |                  |                  |                  |          |          |                  |
| 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           | -                | -        | -        | -                |
|  | <b>33,087.92</b>     | <b>-</b>                    | <b>65,922.99</b> | <b>99,010.91</b> | <b>33,087.92</b> | <b>-</b> | <b>-</b> | <b>33,087.92</b> |
| <b>Financial liabilities at amortised cost</b>                           |                      |                             |                  |                  |                  |          |          |                  |
| <b>Non Current</b>   |                      |                             |                  |                  |                  |          |          |                  |
| Term Loans   | -                    | -                           | 2,962.87         | 2,962.87         | -                | -        | -        | -                |
| Deposits   | -                    | -                           | 23.81            | 23.81            | -                | -        | -        | -                |
| Other Non Current Financial Liabilities                                  | -                    | -                           | 105.97           | 105.97           | -                | -        | -        | -                |
| <b>Current</b>   |                      |                             |                  |                  |                  |          |          |                  |
| 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         | -                | -        | -        | -                |
|  | <b>-</b>             | <b>-</b>                    | <b>83,828.60</b> | <b>83,828.60</b> | <b>-</b>         | <b>-</b> | <b>-</b> | <b>-</b>         |

During the reporting period ended March 31, 2024 and March 31, 2023, there were no transfers between levels of fair value measurements.



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

### 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 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.

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 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 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)



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### Ageing of Account receivables

| Particulars        | As at<br>31st March 2024 | As at<br>31st March 2023 |
|--------------------|--------------------------|--------------------------|
| Not due            | 29,494.24                | 24,193.11                |
| Less than 6 Months | 11,714.55                | 13,776.80                |
| 6 Months -1 year   | 2,536.53                 | 3,762.93                 |
| 1-2 years          | 1,626.99                 | 81.39                    |
| 2-3 years          | 21.46                    | 147.59                   |
| More than 3 years  | -                        | -                        |
| <b>Total</b>       | <b>45,393.77</b>         | <b>41,961.82</b>         |

## 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

### Particulars of Unhedged Foreign Currency exposures as at the reporting date

| Particulars                                  | Foreign currency in Lakhs |              |             |             |          |          |               |             |          |
|--|---------------------------|--------------|-------------|-------------|----------|----------|---------------|-------------|----------|
|  | USD                       | EURO         | SGD         | GBP         | AED      | JPY      | AUD           | CAD         | CHF      |
| Trade Payables / Other Financial Liabilities | (7.81)                    | (1.97)       | -           | -           | -        | -        | (0.05)        | -           | -        |
| Trade Receivables / Other Financial Assets   | 176.72                    | 52.57        | 0.07        | 0.24        | -        | -        | -             | 0.40        | -        |
| Advances from Customers                      | (2.48)                    | (0.24)       | -           | -           | -        | -        | -             | -           | -        |
| Loan Given                                   | 2.50                      | -            | -           | -           | -        | -        | -             | -           | -        |
| Bank Loan Taken                              | (11.60)                   | (9.47)       | -           | -           | -        | -        | -             | -           | -        |
| Bank Balances (Including Fixed Deposits)     | 6.14                      | 3.08         | -           | -           | -        | -        | 0.00          | -           | -        |
| <b>Net</b>                                   | <b>163.47</b>             | <b>43.97</b> | <b>0.07</b> | <b>0.24</b> | <b>-</b> | <b>-</b> | <b>(0.05)</b> | <b>0.40</b> | <b>-</b> |

| Particulars                                  | Foreign currency in Lakhs |        |     |      |     |       |        |      |      |
|--|---------------------------|--------|-----|------|-----|-------|--------|------|------|
|  | 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 |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars                              | USD           | EURO         | SGD           | GBP         | AED           | JPY         | AUD         | CAD         | CHF         |
|--|---------------|--------------|---------------|-------------|---------------|-------------|-------------|-------------|-------------|
| 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        | -           | -           |
| <b>Net</b>                               | <b>151.04</b> | <b>12.02</b> | <b>(0.08)</b> | <b>1.10</b> | <b>(5.76)</b> | <b>5.60</b> | <b>0.24</b> | <b>0.43</b> | <b>0.03</b> |

### 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.

| Particulars                                | 2023-2024     |                 | 2022-2023     |                 |
|--|---------------|-----------------|---------------|-----------------|
|  | 1% increase   | 1% Decrease     | 1% increase   | 1% Decrease     |
| USD  | 136.35        | (136.35)        | 124.11        | (124.11)        |
| EURO                                       | 39.52         | (39.52)         | 10.75         | (10.75)         |
| GBP  | 0.25          | (0.25)          | 1.12          | (1.12)          |
| Ohers                                      | 0.26          | (0.26)          | (0.88)        | 0.88            |
| <b>Net Increase / (Decrease) in Profit</b> | <b>176.38</b> | <b>(176.38)</b> | <b>135.09</b> | <b>(135.09)</b> |

### 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 Treasury Bills rate / SOFR 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.

#### Exposure to interest rate risk

| Particulars                                       | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| *Borrowings Bearing Variable rate of Interest     | 12,754.68                | 4,821.73                 |
| Borrowings other than Variable Rate of Interest   | 54,752.06                | 60,759.43                |
| <b>Total Borrowings</b>                           | <b>67,506.74</b>         | <b>65,581.16</b>         |
| % of Borrowings bearing Variable rate of Interest | <b>18.89</b>             | <b>7.35</b>              |

\* 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              | 2023-2024 | 2022-2023 |
|--------------------------|-----------|-----------|
| 100 Basis Point Increase | 127.55    | (48.22)   |
| 100 Basis Point Decrease | (127.55)  | 48.22     |

**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



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### 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 2024

|   | 0-1 years        | 1-5 years       | Beyond 5 years  | Total            |
|---|------------------|-----------------|-----------------|------------------|
| Long term borrowings (Including current maturity of long term debt) | 25.37            | 9,695.74        | 3,033.57        | 12,754.68        |
| Short term borrowings   | 54,752.06        | -               | -               | 54,752.06        |
| <b>Total</b>  | <b>54,777.43</b> | <b>9,695.74</b> | <b>3,033.57</b> | <b>67,506.74</b> |

##### 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        |
| <b>Total</b>  | <b>62,618.29</b> | <b>2,962.87</b> | <b>-</b>       | <b>65,581.16</b> |

#### Maturity patterns of other Financial Liabilities

##### As at 31st March, 2024

|   | 0-1 years        | 1-5 years     | Beyond 5 years | Total            |
|---|------------------|---------------|----------------|------------------|
| Trade Payables                                      | 9,206.78         | -             | -              | 9,206.78         |
| Other Financial Liabilities (Current & Non Current) | 6,174.47         | 228.86        | -              | 6,403.33         |
| <b>Total</b>  | <b>15,381.25</b> | <b>228.86</b> | <b>-</b>       | <b>15,610.11</b> |

##### 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         |
| <b>Total</b>  | <b>18,117.66</b> | <b>129.78</b> | <b>-</b>       | <b>18,247.44</b> |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

### 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

| Particulars                     | 31-Mar-24   | 31-Mar-23   |
|---------------------------------|-------------|-------------|
| Net Debt *                      | 55,798.30   | 48,674.52   |
| Total Equity                    | 167,500.86  | 141,581.72  |
| <b>Net Debt to Total Equity</b> | <b>0.33</b> | <b>0.34</b> |

\* 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 24                 | As at 31st March 23 |
| <b>A. Subsidiaries</b>   |                          |            |                                     |                     |
| <b>I. Indian Subsidiaries:</b>   |                          |            |                                     |                     |
| 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%             |
| Technocraft Textiles Limited   | India                    | 31st Mar   | 100.00%                             | 100.00%             |
| Technocraft Formworks Private Limited<br>( previously known as Technomatic packaging private limited ) | India                    | 31st Mar   | 100.00%                             | 100.00%             |
| Technocraft Speciality Yarns Limited   | India                    | 31st Mar   | 100.00%                             | 100.00%             |
| Technocraft Extrusions Private Limited   | India                    | 31st Mar   | 100.00%                             | 0.00%               |
| BMS Industries Private Limited   | India                    | 31st Mar   | 100.00%                             | 0.00%               |
| Benten Technologies LLP  | India                    | 31st Mar   | 100.00%                             | 50.00%              |
| <b>II. Foreign Subsidiaries:</b>   |                          |            |                                     |                     |
| 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%              |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Name of the Company                    | Country of Incorporation | Year Ended | Proportion of Ownership of Interest |                     |
|--|--------------------------|------------|-------------------------------------|---------------------|
|  |                          |            | As at 31st March 24                 | As at 31st March 23 |
| 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 Integrated Solutions Inc ++ | Canada                   | 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 Technosoft Engineering Inc.

| B. | Joint Venture                                       |       |          |        |        |
|----|---|-------|----------|--------|--------|
|    | Technocraft Tabla Formwork Systems Private Limited. | India | 31st Mar | 65.00% | 65.00% |

### 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       |
|-------------------------------------|--------------|
| <b>Balance as at April 1, 2022</b>  |              |
| Additions during the year           | 54.82        |
| Deletion during the year            | -            |
| Depreciation of Right of use assets | 16.32        |
| <b>Balance as at March 31, 2023</b> | <b>38.50</b> |
| Additions during the year           | 65.51        |
| Deletion during the year            | -            |
| Depreciation of Right of use assets | 50.93        |
| <b>Balance as at March 31, 2024</b> | <b>53.08</b> |

iii) The following is the carrying value of lease liability and movement thereof

| Particulars                          | Amount       |
|--------------------------------------|--------------|
| <b>Balance as at April 1, 2022</b>   |              |
| Additions during the year            | 54.82        |
| Finance Cost accrued during the year | 1.90         |
| Deletions                            | -            |
| Lease Rent Concession                | -            |
| Payment of Lease Liabilities         | 17.48        |
| <b>Balance as at March 31, 2023</b>  | <b>39.24</b> |





## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars                          | Amount       |
|--------------------------------------|--------------|
| Additions during the year            | 65.50        |
| Finance Cost accrued during the year | 8.53         |
| Deletions                            | -            |
| Lease Rent Concession                | -            |
| Payment of Lease Liabilities         | 56.04        |
| <b>Balance as at March 31, 2024</b>  | <b>57.23</b> |

| Particulars   | As at<br>31st March 2024 | As at<br>31st March 2023 |
|---|--------------------------|--------------------------|
| Current Maturity of Lease Liability ( Refer Note 12 (b) ) | 10.48                    | 39.24                    |
| Non Current Lease Liability (Refer Note 12(b) )           | 46.75                    | -                        |

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<br>31st March 2024 | Year Ended<br>31st March 2023 |
|--|-------------------------------|-------------------------------|
| Depreciation Charge of right of use assets -Leasehold building   | 50.93                         | 16.32                         |
| Finance Cost accrued during the year (included in Finance cost ) | 8.53                          | 1.90                          |

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.

### Note 40 Acquisitions

The Board of Directors of the Parent Company ie Technocraft Industries (India) Limited on 29th June 2023 had approved acquisition of 100% stake in BMS Industries Private Limited for a consideration of ₹ 7014.60 lakhs w.e.f 1st July 2023.

BMS Industries Private Limited was incorporated on 24th April 1974 and the same has been manufacturing Steel Drum Closures, Metal Capseals & Clamps for the Parent Company on job Work Basis from last five decades. Entire Clamps and Metal Capseals sold by Parent Company are Still Manufactured by BMS Industries Private Limited as Presently Parent Company does not have any Facility to Manufacture the same. Moreover it has capacity to Manufacture Steel Drum Closures which is equal to about 75% capacity of Parent Company to Manufacture Steel Drum Closures .Its Manufacturing Facility is also located at Murbad, Thane & is very close to the Parent Company owned Manufacturing Facility. Considering all these Factors its was decided to acquire 100% stake in BMS Industries Private Limited so that Financial & Operational Performance of Drum Closure Segment can be improved further.

**Details of assets acquired and liabilities assumed on the date of acquisition are as follows:**

| Particulars                        | Amount |
|------------------------------------|--------|
| <b>ASSETS</b>                      |        |
| Property, Plant and Equipment      | 362.48 |
| Capital Work-in-progress           | 94.82  |
| Non-Current Investments            | 326.08 |
| Other non current financial assets | 252.61 |
| Deferred Tax Assets (Net)          | 199.73 |
| Inventories                        | 396.34 |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

(₹ in Lakhs)

| Particulars                            | Amount          |
|--|-----------------|
| Trade receivables                      | 2,732.71        |
| Cash and cash equivalents              | 28.10           |
| Other current financial assets         | 5.05            |
| Other Current Assets                   | 103.71          |
| <b>Total Assets</b>                    | <b>4,501.63</b> |
| <b>LIABILITIES</b>                     |                 |
| Non-Current Provisions                 | 588.25          |
| Borrowings                             | 70.73           |
| Trade Payables                         | 542.70          |
| Other Financial Liabilities            | 366.80          |
| Other Current Liabilities              | 5.04            |
| Current Provisions                     | 247.39          |
| Current Tax Liabilities (Net)          | 105.61          |
| <b>Total Liabilities</b>               | <b>1,926.52</b> |
| <b>Identifiable Net Assets Value</b>   | <b>2,575.11</b> |
| Purchase consideration paid            | 7,014.60        |
| <b>Goodwill arising on acquisition</b> | <b>4,439.49</b> |

The excess of purchase consideration paid over Values of assets acquired has been attributed to goodwill. Goodwill is not tax deductible.

### Contribution of profit to the Group

From the date of acquisition ie 1st July 2023 , BMS Industries Private Limited contributed ₹ 882.37 lakhs of profit after tax to the Group for the Period ended March 31, 2024

### Note 41 : Disclosure in respect of Expenditure on Corporate Social Responsibility Activities

| Particulars  | 2023-24  | 2022-2023                                      |
|--|--|--|
| a) Amount required to be spent by the group during the year  | 442.62   | 359.12   |
| b) Amount of expenditure incurred  | 317.00   | 464.00   |
| c) Shortfall / (Excess) Amount at the beginning of the year  | (250.00)   | (149.77)                                       |
| d) Shortfall / (Excess) Amount at the end of the year  | (124.13)   | (250.00)                                       |
| e) Total of Previous Year Shortfall  | -  | -  |
| f) Reason for Shortfall  | -  | -  |
| g) Nature of CSR Activities  | Contribution to Indian Institute of Technology & Vivek Vyas Peth | Contribution to Indian Institute of Technology |
| h) Details of related party transactions in relation to CSR expenditure by Group   | -  | -  |
| e) Excess Amount carried forward to next year to adjust the same against future obligations (Shown under Current Assets in Note No 9 ) | 124.00   | 250.00   |
| f) Amount debited in the statement of Profit & Loss Account (Refer Note No 25)   | 443.00   | 363.77   |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2024

### Note 42 : 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.

### Note 43 : 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 43 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

**Dr. Sharad Kumar Saraf**  
Chairman & Managing Director  
DIN 00035843

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
DIN 00035799

**Place:** Mumbai  
**Date :** 29th May, 2024

**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, 2024

(₹ 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       |
| <b>A</b> | <b>Parent Company</b>   |   |                   |                                      |                  |   |                 |   |                  |
| 1        | Technocraft Industries (India) Limited  | 65.54   | 112,322.84        | 58.22                                | 16,257.81        | 8.68  | (46.48)         | 59.19   | 16,211.33        |
| <b>B</b> | <b>Indian Subsidiaries</b>  |   |                   |                                      |                  |   |                 |   |                  |
| 2        | Technosoft Engineering Projects Limited   | 5.81  | 9,963.10          | 9.47                                 | 2,645.69         | 1.02  | (5.45)          | 9.64  | 2,640.24         |
| 3        | Technocraft Tabla Formworks Systems Pvt. Ltd.   | 0.00  | 5.28              | (0.00)                               | (0.15)           | -   | -               | (0.00)  | (0.15)           |
| 4        | Techno Defence Private Limited  | 0.00  | 5.89              | (0.04)                               | (11.09)          | -   | -               | (0.04)  | (11.09)          |
| 5        | Shivale Infra Products Private Limited  | 0.78  | 1,341.68          | 2.74                                 | 765.47           | -   | -               | 2.79  | 765.47           |
| 6        | Technocraft Fashions Limited  | 1.18  | 2,016.44          | (0.19)                               | (52.67)          | 1.37  | (7.34)          | (0.22)  | (60.01)          |
| 7        | Technocraft Textiles Limited  | 3.40  | 5,834.87          | (0.06)                               | (15.41)          | -   | -               | (0.06)  | (15.41)          |
| 8        | Technocraft Formworks Private Limited (formerly known as Technomatic packaging Private Limited) | 3.70  | 6,338.43          | (0.01)                               | (2.67)           | -   | -               | (0.01)  | (2.67)           |
| 9        | Technocraft Speciality Yarns Limited  | 0.07  | 111.59            | (0.04)                               | (11.66)          | -   | -               | (0.04)  | (11.66)          |
| 10       | Technocraft Extrusions Private Limited  | 0.38  | 646.32            | (0.01)                               | (2.92)           | -   | -               | (0.01)  | (2.92)           |
| 11       | BMS Industries Private Limited  | 2.00  | 3,429.96          | 3.16                                 | 882.37           | 5.04  | (27.02)         | 3.12  | 855.35           |
| 12       | Benten Technologies LLP   | -   | -                 | (0.00)                               | (0.41)           | -   | -               | (0.00)  | (0.41)           |
| <b>C</b> | <b>Foreign Subsidiaries</b>   |   |                   |                                      |                  |   |                 |   |                  |
| 13       | Technocraft International, UK   | 2.27  | 3,894.03          | (0.39)                               | (107.63)         | (16.83)                                     | 90.14           | (0.06)  | (17.49)          |
| 14       | Technocraft Trading Spolka, Z o.o., Poland  | 0.21  | 356.12            | 0.76                                 | 213.52           | 77.66                                       | (416.06)        | (0.74)  | (202.54)         |
| 15       | Technocraft NZ Limited  | (0.01)  | (14.61)           | (1.31)                               | (366.06)         | (18.95)                                     | 101.50          | (0.97)  | (264.56)         |
| 16       | Anhui Reliable Steel Company Ltd, China   | 2.18  | 3,740.23          | 1.52                                 | 423.35           | 23.50                                       | (125.88)        | 1.09  | 297.47           |
|          | <b>Step Down Subsidiaries</b>   |   |                   |                                      |                  |   |                 |   |                  |
| 17       | Technosoft Engineering Inc. USA   | 1.70  | 2,906.51          | 2.40                                 | 669.15           | (7.09)                                      | 38.01           | 2.58  | 707.16           |
| 18       | Highmark International Trading, UAE   | 2.88  | 4,928.28          | 1.02                                 | 284.45           | (13.37)                                     | 71.63           | 1.30  | 356.08           |
| 19       | Technosoft Innovations Inc  | 0.29  | 503.19            | 0.92                                 | 257.67           | (1.03)                                      | 5.53            | 0.96  | 263.20           |
| 20       | Technosoft GMBH   | 0.11  | 180.08            | 0.43                                 | 119.41           | (0.11)                                      | 0.59            | 0.44  | 120.00           |
| 21       | AAIT/ Technocraft Scaffold Distribution LLC   | 4.95  | 8,476.29          | 15.77                                | 4,403.73         | 35.37                                       | (189.47)        | 15.39   | 4,214.26         |
| 22       | Technosoft Services Inc   | 0.22  | 370.09            | (0.00)                               | (0.21)           | (1.02)                                      | 5.48            | 0.02  | 5.27             |
| 23       | Technosoft Engineering UK Limited   | 0.08  | 144.26            | 0.25                                 | 68.75            | (0.65)                                      | 3.49            | 0.26  | 72.24            |
| 24       | Technosoft Integrated Solutions Inc   | (0.00)  | (0.01)            | (0.00)                               | (0.02)           | -   | -               | (0.00)  | (0.02)           |
|          | <b>Sub Total -1 (Owner of Equity)</b>   | <b>97.74</b>  | <b>167,500.86</b> | <b>94.62</b>                         | <b>26,420.47</b> | <b>93.58</b>                                | <b>(601.33)</b> | <b>94.64</b>                                      | <b>25,919.14</b> |
|          | <b>Non Controlling Interest in all Subsidiaries</b>   |   |                   |                                      |                  |   |                 |   |                  |
|          | Indian  | 1.37  | 2,355.23          | 2.55                                 | 712.95           | 0.19  | (1.04)          | 2.60  | 711.91           |
|          | Foreign   | 0.89  | 1,519.93          | 2.83                                 | 790.40           | 6.23  | (33.36)         | 2.76  | 757.04           |
|          | <b>Sub Total -2 (Minority Interest)</b>   | <b>2.26</b>   | <b>3,875.16</b>   | <b>5.38</b>                          | <b>1,503.35</b>  | <b>6.42</b>                                 | <b>(34.40)</b>  | <b>5.36</b>                                       | <b>1,468.95</b>  |
|          | <b>Total (1+2)</b>  | <b>100.00</b>                                       | <b>171,376.02</b> | <b>100.00</b>                        | <b>27,923.82</b> | <b>100.00</b>                               | <b>(535.73)</b> | <b>100.00</b>                                     | <b>27,388.09</b> |

(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

| 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 Subsid- iaries) | Turnover | Profit before Tax | Provision for Tax | Profit after Tax | Proposed Dividend | Extent of Share- holding |
|------------|---|--------------------------------------|--------------------------|------------------------|--|---------------|--------------------|--------------|-------------------|--|----------|-------------------|-------------------|------------------|-------------------|--------------------------|
| ₹ in Lakhs |   |                                      |                          |                        |  |               |                    |              |                   |  |          |                   |                   |                  |                   |                          |
| <b>A</b>   | <b>Indian Subsidiaries</b>  |                                      |                          |                        |  |               |                    |              |                   |  |          |                   |                   |                  |                   |                          |
| 1          | Technosoft Engineering Projects Limited   | 28.02.2000                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 59.50         | 12,949.94          | 15,023.07    | 2,013.63          | 10,572.87  | 9,116.54 | 4,302.39          | 930.18            | 3,372.21         | -                 | 84.02%                   |
| 2          | Technocrat Table Formworks Systems Pvt. Ltd.  | 25.03.2010                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 100.00        | (91.88)            | 8.18         | 0.06              | -  | -        | (0.23)            | -                 | (0.23)           | -                 | 65%                      |
| 3          | Techno Defence Private Limited  | 25.10.2016                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 1.00          | 7.41               | 47.14        | 38.73             | -  | 12.67    | (21.12)           | (5.29)            | (15.83)          | -                 | 70%                      |
| 4          | Shivate Infraproducts Private Limited   | 28.11.2019                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 5.00          | 1,336.68           | 2,028.91     | 687.23            | -  | 1,922.26 | 1,033.83          | 268.36            | 765.47           | -                 | 100%                     |
| 5          | Technocrat Fashions Limited   | 15.10.2020                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 55.00         | 1,886.44           | 3,745.79     | 1,804.35          | -  | 5,040.88 | (69.48)           | (16.81)           | (52.67)          | -                 | 100%                     |
| 6          | Technocrat Textiles Limited   | 02.11.2021                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 950.00        | (24.59)            | 16,353.21    | 15,427.80         | -  | 58.53    | (18.69)           | (3.28)            | (15.41)          | -                 | 100%                     |
| 7          | Technocrat Formworks Private Limited ( Previously known as Technomatic Packaging Private Limited) | 24.03.2022                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 1.37          | 6,715.93           | 11,204.77    | 4,487.47          | -  | 128.52   | (3.22)            | (0.55)            | (2.67)           | -                 | 100%                     |
| 8          | Technocrat Speciality Yarns Limited   | 08.04.2022                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 1.00          | (12.57)            | 119.67       | 131.24            | -  | -        | (15.06)           | (3.40)            | (11.66)          | -                 | 100%                     |
| 9          | Technocrat Extrusions Private Limited   | 17.05.2023                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 1.03          | 767.03             | 3,451.57     | 2,683.51          | -  | 10.60    | (3.52)            | (0.60)            | (2.92)           | -                 | 100%                     |
| 10         | BMS Industries Private Limited  | 01.07.2023                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 592.88        | 2,837.08           | 5,138.29     | 1,708.33          | 441.28   | 5,827.97 | 1,174.86          | 292.49            | 882.37           | -                 | 100%                     |
| 11         | Benten Technologies LLP   | 06.06.2019                           | 01.04.2023 To 31.03.2024 | INR                    | -  | 0.01          | (0.01)             | -            | -                 | -  | -        | (0.81)            | -                 | (0.81)           | -                 | 100%                     |
| <b>B</b>   | <b>Direct Foreign Subsidiaries</b>  |                                      |                          |                        |  |               |                    |              |                   |  |          |                   |                   |                  |                   |                          |
| 12         | Technocrat International Limited, UK #  | 02.04.1993                           | 01.01.2023 To 31.12.2023 | GBP                    | 105.0325                                       | 1,224.14      | 2,701.37           | 4,237.33     | 311.82            | -  | 1,178.57 | 1,276.48          | (30.23)           | 1,306.71         | -                 | 100%                     |
| 13         | Technocrat Trading Spolka, Z o.o., Poland #   | 14.05.1998                           | 01.01.2023 To 31.12.2023 | PLN                    | 20.9290  | 265.07        | 91.04              | 2,261.98     | 1,905.87          | -  | 5,934.66 | 247.94            | 34.42             | 213.52           | -                 | 100%                     |
| 14         | Anhui Reliable Steel Company Ltd, China #   | 10.04.2008                           | 01.01.2023 To 31.12.2023 | RMB                    | 11.4825  | 1,080.16      | 2,660.07           | 6,614.96     | 2,874.73          | -  | 7,304.30 | 562.18            | 138.83            | 423.35           | -                 | 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 Subsid- iaries) | Turnover  | Profit before Tax | Provision for Tax | Profit after Tax | Proposed Dividend | Extent of Share- holding |
|----------|--|--------------------------------------|--------------------------|------------------------|--|---------------|--------------------|--------------|-------------------|--|-----------|-------------------|-------------------|------------------|-------------------|--------------------------|
| 15       | Technocraft NZ Ltd, Newzealand                     | 07.12.2018                           | 01.04.2023 To 31.03.2024 | NZD                    | 49.7000  | 46.91         | (61.52)            | 2,605.24     | 2,619.85          | -  | 1,270.48  | (347.17)          | 18.89             | (366.06)         | -                 | 100%                     |
| <b>C</b> | <b>Step Down Subsidiaries</b>                      |                                      |                          |                        |  |               |                    |              |                   |  |           |                   |                   |                  |                   |                          |
| 16       | Technosoft Engineering Inc. USA                    | 31.08.2006                           | 01.04.2023 To 31.03.2024 | USD                    | 83.4050  | 426.80        | 2,489.58           | 3,990.49     | 1,074.11          | -  | 14,834.48 | 872.98            | 203.83            | 669.15           | -                 | 100%                     |
| 17       | Technosoft Engineering UK Ltd                      | 10.05.2017                           | 01.04.2023 To 31.03.2024 | GBP                    | 105.0325                                       | 0.00          | 144.26             | 528.81       | 384.55            | -  | 1,370.51  | 78.70             | 9.95              | 68.75            | -                 | 100%                     |
| 18       | Technosoft GMBH, Germany                           | 01.09.2005                           | 01.04.2023 To 31.03.2024 | EURO                   | 89.8775  | 38.62         | 164.78             | 385.02       | 181.62            | -  | 1,609.49  | 150.36            | 17.68             | 132.68           | -                 | 90%                      |
| 19       | Highmark International Trading FZE, UAE            | 22.09.2014                           | 01.04.2023 To 31.03.2024 | AED                    | 22.7125  | 31.49         | 4,896.79           | 6,077.92     | 1,149.64          | 417.07   | 2,427.35  | 263.49            | (20.96)           | 284.45           | -                 | 100%                     |
| 20       | AAIT/ Technocraft Scaffold Distribution LLC, USA # | 15.08.2015                           | 01.01.2023 To 31.12.2023 | USD                    | 83.4050  | 0.07          | 9,972.83           | 42,024.41    | 32,051.51         | -  | 47,483.17 | 6,955.13          | 1,774.28          | 5,180.85         | -                 | 85%                      |
| 21       | Technosoft Innovations Inc, USA                    | 06.06.2016                           | 01.04.2023 To 31.03.2024 | USD                    | 83.4050  | 3.35          | 499.84             | 920.30       | 417.11            | -  | 2,069.53  | 350.25            | 92.58             | 257.67           | -                 | 100%                     |
| 22       | Technosoft Services Inc, USA                       | 23.06.2017                           | 01.04.2023 To 31.03.2024 | USD                    | 83.4050  | 6.52          | 363.57             | 413.30       | 43.21             | -  | 1,348.82  | 4.75              | 4.96              | (0.21)           | -                 | 100%                     |
| 23       | Technosoft Intergrated Solutions Inc               | 16.11.2022                           | 01.04.2023 To 31.03.2024 | CAD                    | 61.2675  | 0.00          | (0.02)             | 16.10        | 16.12             | -  | -         | (0.02)            | -                 | (0.02)           | -                 | 100%                     |

# Company having 31st December as reporting date.

- 1 Name of the Subsidiary which are yet to commence Operation: Details provided in Board Report
- 2 Name of the Subsidiary which have been liquidated or sold during the year: Details provided in Board Report

#### 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

**Dr.Sharad Kumar Saraf**  
Chairman & Managing Director  
[DIN 00035843]

**Sudarshan Kumar Saraf**  
Co-Chairman & Managing Director  
[DIN 00035799]

**Neeraj Rai**  
Company Secretary

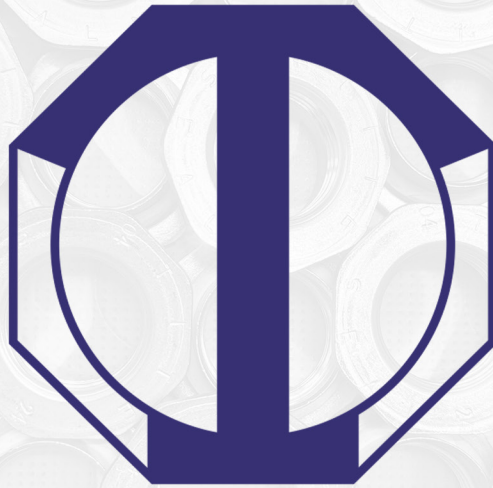
**Place:** Mumbai  
**Date :** 29th May 2024

**Ashish Kumar Saraf**  
Whole-time Director & Chief Financial Officer  
[DIN 00035549]

**Navneet Kumar Saraf**  
Whole-time Director & Chief Executive Officer  
[DIN 00035686]







**TECHNOCRAFT INDUSTRIES (INDIA) LTD.**

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