CIN : L27101PB1985PLC006100

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KUMAR AUTOCAST LIMITED

Regd. Office & Works : C-179, FOCAL POINT, PHASE VI, LUDHIANA-141 010
Ph. : 91-161-2672908, 2671428 Fax No. : 91-161-4029829
E-mail: [illegible]@kumarautocast.com, ajaysood@kumarexports.com
www.kumarautocast.com

07.09.2023

To,
The Manager Listing
Metropolitan Stock Exchange of India Ltd
Vibgyor Towers, 4th Floor,
Plot No. 62 C, G Block,Opp Trident Hotel,
BandraKurla Complex, Bandra (E), Mumbai
PIN: 400098

SUBJECT: Notice of 38th alongwith Annual Report of the Company for the financial year 2022-23

Dear Sir,

This is to inform you that 38th Annual General Meeting (AGM) of the Company is scheduled to be held on Saturday, 30th September, 2023 at 12:30 P.M. at the registered office of the company situated at C-179, Focal Point, Phase VI, Ludhiana-141010.

Pursuant to Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith Annual Report of the Company along with the Notice of AGM for the Financial Year 2022-23 which is being sent through electronic mode to the Members.

The Annual Report containing the Notice is also uploaded on the Company's website and can be accessed at www.kumarautocast.com

This is for your information & Record.

Thanking you,

Yours faithfully

For KUMAR AUTOCAST LIMITED

AJAY KUMAR SOOD
Digitally signed by AJAY KUMAR SOOD
Date: 2023.09.07 16:28:13 +05'30'

AJAY KUMAR SOOD

(Whole Time Director)

Verified Id No. 3Y781398

Annual Report

of

Kumar Autocast Limited

FY 2022-23

BOARD OF DIRECTORS

(1)	Mr. Arun Kumar Sood -	Chairman & Managing Director
(2)	Mr. Ashish Sood -	Executive Director
(3)	Mr. Ajay Kumar Sood -	Executive Director
(4)	Mr. Shrey Bhutani-	Independent Director
(5)	Ms. Ritu Mehra	Woman Director (Appointed w.e.f. 30.09.2022)
(6)	Mr. Rakesh Dhanda	Independent Director

COMPANY SECRETARY

CS Pranav Khanna

CHIEF FINANCIAL OFFICER

Ms. Usha Jayaprakash

STATUTORY AUDITORS

M/s Vinay & Associates,
Chartered Accountants

SECRETARIAL AUDITOR

M/s Harshit Arora & Associates,
Practicing Company Secretaries.

REGISTRAR AND TRANSFER AGENT

Skyline Financial Services Pvt Ltd
D-153A, 1st Floor,
Okhla Industrial Area Phase – 1
New Delhi - 110020

REGISTERED OFFICE

C-179, Focal Point, Phase VI,
Ludhiana-141010, Punjab.
E-mail Id: - asood@kumarautocast.com
CIN: - L27101PB1985PLC006100
PAN: - AAACK6718L

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab
Email Id: asood@kumarautocast.com; Telephone No: 0161-2671428
CIN: - L27101PB1985PLC006100
www.kumarautocast.com

NOTICE

NOTICE is hereby given that the **38th** Annual General Meeting of the Members of **Kumar Autocast Limited** will be held on **Saturday** the **30th** day of **September, 2023** at **12:30 P.M.** at the registered office of the company situated at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.1: ADOPTION OF STATEMENT OF PROFIT & LOSS, BALANCE SHEET, REPORT OF DIRECTOR'S AND AUDITOR'S FOR THE FINANCIAL YEAR 31ST MARCH, 2023

To receive, consider and adopt the Audited Balance Sheet as at **31st March, 2023**, Statement of Profit and Loss for the year ended on that date, together with Report of the Auditor's and Director's thereon.

ITEM NO.2: RE-APPOINTMENT OF SH. ASHISH KUMAR SOOD

To re-appoint Director in place of **Sh. Ashish Kumar Sood (DIN: 00672179), Whole Time Director**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment.

ITEM NO.3: RE-APPOINTMENT OF SH. AJAY KUMAR SOOD

To re-appoint Director in place of **Sh. Ajay Kumar Sood (DIN: 00685585), Whole Time Director**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment.

ITEM NO.4: RE-APPOINTMENT OF SH. ARUN KUMAR SOOD

To re-appoint Director in place of **Sh. Arun Kumar Sood (DIN: 00685937), Managing Director,** who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment.

SPECIAL BUSINESS

ITEM NO. 5: BLANKET APPROVAL FOR RELATED PARTY TRANSACTIONS:

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

"RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby for entering into the following proposed Related Party Transactions at Arm Length Price with respect to sale and purchase of goods and raw material by and from Kumar Autocast Limited for the financial year 2022-23 upto the maximum per annum amounts as appended in table below:

Sr. No	Name of the Related Party	Relationship	Maximum Value of Transaction per Annum
1	Kumar Exports & Kumar Export Industries Pvt. Ltd.	Directors having Significant Interest	60 Crores

RESOLVED FURTHER THAT The Board and Directors of the company be and hereby is authorized to approve the terms and conditions of re-appointment and make changes in the terms of re-appointment including remuneration and do all such acts, deeds and things which are necessary and incidental to give effect to this resolution.

By Order of the Board

For **Kumar Autocast Limited**

Place: Ludhiana

Date: 07.09.2023

Sd/-

(Ajay Kumar Sood)
Whole Time Director
(DIN: - 00685585)
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana, PB

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. The proxy, in order to be effective must be received by the Company not less than 48 hours before the Meeting. The Blank Proxy form is enclosed.

2. In Compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules 2015, and Regulation 44 of the SEBI (Listed Obligations And Disclosures Requirements) Regulations 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services (India) Limited. The facility for voting through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.

4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint single person as proxy and such person shall not act as a proxy for any other person or shareholder.

5. A statement giving the relevant details of the Directors seeking re-appointment and appointment under Item No. 2, 3, 4, of the accompanying Notice is annexed herewith in explanatory statement.

6. Members are requested to intimate their queries, if any, related to accounts at least seven days in advance of meeting so that information can be made available and furnished at meeting.

7. All documents referred to in the notice, unless otherwise specifically stated will be available for members for inspection at the registered office of the Company between 02.00 pm to 04.00 pm from the date hereof upto the date of Annual General Meeting.

8. The register of members and share transfer books shall remain closed from Saturday , the 23rd of September, 2023 to Saturday, 30th of September, 2023 (Both Days inclusive).

9. Mr. Harshit Arora proprietor of M/s Harshit Arora & Associates has been appointed as scrutinizer for providing the report on results of poll/vote for the resolution passed during the AGM.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in physical form are, therefore, requested to submit their PAN to the Company Skyline Financial Services Private Limited.

11. The Result of the resolutions passed at the AGM of the Company will be declared within 48 working hours of Conclusion of AGM. The results declared along with the Scrutinizer Report shall be placed on Company's website and on the website of CDSL and will be communicated to the stock exchanges.

12. M/s Harshit Arora & Associates, Company Secretaries, have been appointed as the scrutinizer to scrutinize the e-voting process in fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The scrutinizer shall within a period of three working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the company and make a report of the votes cast in favour or against, if any, forthwith to the chairman of the company.

13. In support of the Green Initiative, your Company proposes to send the documents like Notice calling the General Meetings and Annual Report containing Financial Statements, Director's Report etc and other communications in electronic form. We request you to update your email address with your Depository Participant/Company/RTA to ensure that the Annual Report and other communications reach you on your preferred email.

14. The Annual Report 2022-23 is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a physical copy of the report. The members who have not registered their email addresses, physical copies of the Annual Report 2022-23 are being sent by permitted mode.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING ARE AS UNDER:

(i) ***The voting period begins on 27th September, 2023 (9:00 a.m.) and ends on 29th September, 2023 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.***

(ii) ***Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.***

(iii) ***Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.***

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) ***In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.***

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	***Login Method***
Individual Shareholders holding securities in Demat mode with CDSL	***1) Users who have opted for CDSL Easi / Easiest facility, 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 Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.*** ***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. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.*** ***3) If the user is not registered for Easi/Easiest, option to register is availableathttps://web.cdslindia.com/myeasi/Registration/EasiRegistration*** ***4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.***
Individual Shareholders holding securities in demat mode with NSDL	***1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.*** ***2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp*** ***3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with***

	NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.***

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

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

Login type	*Helpdesk details*
Individual Shareholders holding securities in Demat mode with CDSL	***Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at toll free no. 1800 22 55 33.***
Individual Shareholders holding securities in Demat mode with NSDL	***Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30***

(v) ***Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.***

1) ***The shareholders should log on to the e-voting website www.evotingindia.com.***

2) ***Click on "Shareholders" module***.

3) ***Now enter your User ID***

   a. ***For CDSL: 16 digits beneficiary ID,***
   b. ***For NSDL: 8 Character DP ID followed by 8 Digits Client ID,***
   c. ***Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.***

4) ***Next enter the Image Verification as displayed and Click on Login.***

5) ***If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.***

6) ***If you are a first-time user follow the steps given below:***

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	***Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)*** • ***Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.***
Dividend Bank Details OR Date of Birth (DOB)	***Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.*** • ***If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).***

(vi) ***After entering these details appropriately, click on "SUBMIT" tab.***

(vii) ***Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is***

strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) ***For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.***

(ix) ***Click on the EVSN 230906093 <KUMAR AUTOCAST LIMITED> on which you choose to vote.***

(x) ***On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.***

(xi) ***Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.***

(xii) ***After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.***

(xiii) ***Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.***

(xiv) ***You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.***

(xv) ***If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.***

(xvi) ***Facility for Non – Individual Shareholders and Custodians –Remote Voting***

- ***Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.***
- ***A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.***
- ***After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.***

- ***The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.***
- ***A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.***
- ***Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; asood@kumarautocast.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.***

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- Please provide necessary details like 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 Company/RTA email id.

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding attending EGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.
Email Id: asood@kumarautocast.comTelephone No: 0161-2671428
CIN: - L27101PB1985PLC006100
www.kumarautocast.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 2, 3 & 4 OF THE ORDINARY BUSINESS

INFORMATION AND DETAILS REGARDING DIRECTORS SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

Name of the Director	ASHISH KUMAR SOOD	AJAY KUMAR SOOD	ARUN KUMAR SOOD
Director Identification Number (DIN)	00672179	00685585	00685937
Date of Birth	28/01/1959	26/08/1954	13/12/1948
Nationality	Indian	Indian	Indian
Date of Appointment on Board	01/10/2002	01/10/2007	01/10/2002
Qualification	B.tech	LLB	MA Economics
No. of Shares Held	1640100	1352280	3525900
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL	NIL	NIL
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL	NIL
Relationship with other Directors	Related to Mr. Ajay Kumar Sood and Mr. Arun Kumar Sood	Related to Mr. Arun Kumar Sood and Mr. Ashish Kumar Sood	Related to Mr. Ajay Kumar Sood and Mr. Ashish Kumar Sood

None of the other Directors/ Key Managerial Personnel (KMP) of the company/their relatives is concerned or interested, financial or otherwise, in the resolution set out at item No. 2, 3 and 4.

By Order of the Board
For **Kumar Autocast Limited**

Place: Ludhiana
Date: 07.09.2023

Sd/-
(Ajay Kumar Sood)
Whole Time Director
(DIN: - 00685585)
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana, Pb

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.
Email Id: asood@kumarautocast.comTelephone No: 0161-2671428
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DIRECTORS' REPORT

To,

The Members,

The Directors of your Company have pleasure in presenting their **38th Annual Report** on the affairs of the Company together with the Audited Accounts of the Company for the year ended **March 31, 2023.**

1. FINANCIAL RESULTS.

The Company's financial performance, for the year ended March 31, 2023 is summarized below:

(Amt. in Lacs)

PARTICULARS	2022-23	2021-22
Revenue from operations(Gross)	4734.37	4306.59
Profit before Depreciation, Interest & Tax (PBDIT)	235.03	-14.88
Less: Interest & Financial Expenses	50.30	37.99
Profit Before Depreciation & Tax (PBDT)	184.73	-52.87
Less: Depreciation	51.23	60.00

Profit Before Tax (PBT)	133.50	-112.87
Less: Current Tax	10.66	-
Earlier year	0.21	0.04
Deferred Tax Charge	(3.30)	-2.72
Add: Deferred Tax Assets	-	-

Profit For The Period and After Tax (PAT)	125.93	-110.19
Other Comprehensive Income for the year net of Tax	1.18	-3.24
Total Comprehensive Income for the Year	127.11	-113.43
Earnings Per Share (Rs.)		
-Basic	1.21	-1.06
-Diluted	1.21	-1.06
Balance Available for Appropriation	127.11	-113.43
Less: Proposed Dividend on Equity Shares	-	-
Tax on Proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus Carried to Balance Sheet	127.11	-113.43

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods upto and including the year ending 31st March 2023, the company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 in terms of Rule 7 of The Companies (Accounts) Rules, 2014) and the relevant provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. FINANCIAL ANALYSIS AND STATE OF COMPANY AFFAIRS:

PRODUCTION & SALES REVIEW:

During the year, the Revenue from operations was **Rs. 4734.37 Lacs** as against **Rs. 4306.59 Lacs** in the previous year. The Company earned other income of **Rs. 10.96 Lacs** during the year as against **Rs. 5.83 Lacs** during last year.

PROFITABILITY:

During the current year, the Company incurred profit before depreciation, interest and tax of **Rs. 235.03 Lacs** as against PBDIT of **Rs. -14.88 Lacs** in the previous year. After providing for depreciation of **Rs. 51.23 Lacs** (Previous Year **Rs. 60.00 Lacs)**, the profit after tax was **Rs. 125.93 Lacs** as against loss of **Rs. -110.19 Lacs** last year.

B. RESOURCE UTILISATION:

FIXED ASSETS:

The net fixed assets as at 31st March, 2023 were **Rs. 404.54 Lacs** as against previous year's fixed assets of **Rs. 443.58 Lacs**. During the year, there was addition of fixed assets amounting to **Rs. 12.18 Lacs** Previous Year **Rs. 2.71 Lacs**.

CURRENT ASSETS:

The net current assets as on 31st March, 2023 were **Rs.1956.17 Lakhs** as against **Rs. 1658.21 Lakhs** in the previous year.

C. FINANCIAL CONDITIONS AND LIQUIDITY:

Management believes that the Company's liquidity and capital resources are sufficient to meet its expected working capital needs and other anticipated cash requirements. The position of liquidity and capital resources of the Company is given below: -

CASH AND CASH EQUIVALENTS:

(Amt in Lakhs.)

Particulars	2022-23	2021-22
Beginning of the Year	(221.82)	(49.63)
End of the Year	(360.12)	(221.82)
Net Cash provided/(used) by:		
- Operating Activities	(63.43)	(57.68)
- Investing Activities	(6.89)	2.54
- Financing Activities	(67.99)	(117.05)

3. DIVIDEND

The company has not declared or paid any dividend during the year and has not proposed final dividend for the year **2022-23**.

4. EXTRACT OF ANNUAL RETURN

As required pursuant to **Section 92(3)** of the Companies Act, 2013 and **Rule 12(1)** of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Annual Report as **ANNEXURE I .**

5. DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

a) that in the preparation of the annual financial statements for the year ended 31st March, 2023 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
d) that Directors' have prepared the annual accounts on a going concern basis;
e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

6. COMMENTS ON AUDITORS REPORT

The Audit Reports and the qualifications, reservation or adverse remark or disclaimers are self explanatory if any made:
(i) By the auditor in his report; and
(ii) By the company secretary in practice in his secretarial audit report.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The details of material

contracts/ arrangements/ transactions at arm's length basis for the year ended 31st March,2023 is annexed hereto in **Form AOC-2** and forms part of this report as **ANNEXURE-II.**

9. TRANSFER TO RESERVES

NIL amount is transferred to the General Reserve.

10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of Section 125(2) of the Companies Act, 2013 company has not having any unpaid dividend or excess share application amount in the book of accounts. As company has not declared any dividend in the previous year, hence no amount is transferred to Investor Education and Protection Fund.

11. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitment affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Energy conservation continues to be an area of major emphasis in our Company. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. Particulars with respect to conservation of energy and other areas as per Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are annexed hereto and form part of this report as **ANNEXURE III** and is attached to this report.

13. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions as per section 135 of Companies Act, 2013 are not applicable.

14. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

15. FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12), OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

16. DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2022-23.

17. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

As Company has not done any one time settlement during the year under review hence no disclosure is required.

18. DETAILS OF MONEY ACCEPTED FROM DIRECTOR

During the period under review, the Company has not accepted money in the form of unsecured loan from the director or relative of the director of the Company.

19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

20. FINANCIAL HIGHLIGHTS

(Amt. in Lacs)

PARTICULARS	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue from operations(Gross)	4734.37	4306.59	3799.69	3492.42	4380.90
TOTAL INCOME	4745.33	4312.42	3799.69	3492.42	4380.90
Earnings before Depreciation, Finance Cost & Tax expenses (EBDIT)	235.03	(14.88)	256.32	293	318.84
Less: Depreciation & Amortization	51.23	60.00	60.74	55.85	51.17
Finance Cost	50.30	37.99	46.94	47.93	52.14
PROFIT FOR THE YEAR	**125.93**	**(110.19)**	**114.61**	**136.22**	**156.86**
Equity Dividend%	-	-	-	-	-
Dividend payout	-	-	-	-	-

Equity Share Capital	1037.40	1037.40	1037.40	518.70	518.70
Equity Share Suspense Account	-	-	-	-	-
Equity Share warrants	-	-	-	-	-
Reserves & Surplus	320.22	195.48	302.42	722.31	586.71
Net Worth	1357.62	1232.88	1339.82	1241.01	1105.41
Borrowings (Long term & Short term)	614.8	454.09	534.52	434.95	680.60
Gross Fixed Assets	759.85	747.68	744.96	673.19	627.42
Net Fixed Assets	404.54	443.58	500.88	483.97	494.03
Investments	-	-	-	-	-
Face Value Per Share	10	10	10	10	10
EPS(Basic&Diluted)	1.21	(1.06)	1.10	2.63	3.02

21. DEPOSITS

The Company has not accepted and does not intend to accept any deposits from the public. As at 31st March, 2023 there are no outstanding/unclaimed deposits from the public.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

23. NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has Zero tolerance towards any action on the part of any one which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every women working with the Company. The Policy framed by the Company in this regard provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

24. PARTICULARS NO. OF COMPLAINTS TO PREVENTION OF SEXUAL HARASSEMENT COMMITEE

Number of Complaints pending as on beginning of the financial year NIL

Number of Complaints filed during the financial year NIL

Number of Complaints pending as on the end of the financial year NIL

25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has well defined internal control system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal audit in the organization is an independent appraisal activity and all significant issues are brought to the attention of the Audit Committee of the Board.

26. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

27. CORPORATE GOVERNANCE

Your company ensure to evolve and follow the corporate governance guidelines and best practices diligently, not just to boost long-term shareholder value, but also to respect rights of the minority. We consider it our inherent responsibility to disclose timely and accurate information regarding the operations and performance, leadership, and governance of the Company.

Pursuant to the SEBI Listing Regulations, the Corporate Governance Report for F.Y 2022-23 is as follows:-

NUMBER OF MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Registered Office, Ludhiana to discuss the complex business strategies. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **NINE (09)** times in financial year 2022-23 viz., on the following dates:

S. No.	Date of Board meeting	Directors present in the Board Meeting
1.	19-05-2022	7
2.	30-05-2022	7
3.	13-07-2022	7
4.	13-08-2022	7
5.	07-09-2022	5
6.	12-11-2022	6
7.	29-12-2022	6
8.	11-02-2023	6
9.	01-03-2023	3

The maximum interval between any two meetings did not exceed 120 days. The details of attendance of each Director at Board Meetings are as follows:

S. No.	Name of Director	Board Meetings		
		No. of meetings held	No. of meetings entitled to attend	No. of meetings attended
1.	ASHISH SOOD	9	9	9
2.	AJAY KUMAR SOOD	9	9	9
3.	ARUN KUMAR SOOD	9	9	9
4.	RAKESH DHANDA	9	9	9
5.	NEHA SOOD	9	4	4
6.	ARAVIND PRASAD	9	4	4
7.	SHREY BHUTANI	9	9	9
8.	RITU MEHRA	9	4	4

A. DIRECTORS

i. APPOINTMENTS

INDEPENDENT/WOMEN DIRECTOR

- Ms. Ritu Mehra (DIN: 09445664) has been appointed as an Independent Director of the Company to hold the office for a term of five years w.e.f. 30thSeptember, 2022.

INDEPENDENT DIRECTORS' DECLARATION

The Company has received the necessary declarations from Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

ii. RETIREMENT BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013 **Sh. Ajay Kumar Sood (DIN. 00685585), Whole time Director, Sh. Arun Kumar Sood (DIN: 00685937), Managing Director and Sh. Ashish Kumar Sood (DIN: 00672179) Whole Time Director** of the Company retires by rotation and being eligible offers themselves for re-appointment.

iii. RESIGNATION

Mr. Aravind Prasad (DIN: 08204757) and **Ms. Neha Sood (DIN: 08126563)** have resigned from the Board of the Company w.e.f. 07.09.2022.

B. KEY MANAGERIAL PERSONNEL

During the financial year under review, the company has complied with the provisions of section 203 of Companies Act, 2013.

C. FAMILIARISATION PROGRAMME FOR DIRECTORS

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarize the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Visits to plant locations are organized for the new Directors to enable them to understand the business better.

D. BOARD EVALUATION

Pursuant to the provisions of the **Section 134** of the Companies Act, 2013 read with **Rule 8(4)**of the **Companies (Accounts) Rules, 2014**, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The performance evaluations of all the independent Directors have been done by the entire board excluding the director being evaluated. On the basis of the performance evaluation done by the board it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

28. BOARD COMMITTEES

A. AUDIT & RISK MANAGEMENT COMMITTEE.

The Audit and Risk Management committee after reconstitution comprises of three non executive directors i.e. **Sh. Shrey Bhutani**, **Sh. Rakesh Dhanda, Sh. Aravind Prasad** and one executive director **Sh. Ajay Kumar Sood.** Sh. Shrey Bhutani is the Chairperson of the said committee.. The Committee met Five times, during the year under review.

B. NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee after reconstitution consists of three non-executive directors i.e. **Sh. Shrey Bhutani** ,**Sh. Rakesh Dhanda, a**nd **Smt. Ritu Mehra. Sh. Shrey Bhutani** is the Chairperson of the said committee. The Committee has formulated policy relating to appointment of Directors, Payment of Managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) & (4)of Companies Act, 2013 which was subsequently approved by board of Directors.The Committee met once a year, during the year under review.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board of Directors after reconstitution comprises of three non executive directors i.e. **Sh. Shrey Bhutani** ,**Sh. Rakesh Dhanda, a**nd **Smt. Ritu Mehra** and one executive director **Sh. Ajay Kumar Sood.** Sh. Shrey Bhutani is the Chairperson of the said committee. The Committee met once a year during the year under review.

29. POLICIES

A. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Pursuant to provisions of **Section 177 (9)** of the Companies Act, 2013, the Company has established a "Vigil Mechanism" incorporating Whistle Blower Policy in terms of the Listing Agreement for employees and directors of the Company, for expressing the genuine concerns of unethical behavior, frauds or violation of the codes of conduct by way of direct access to the Chairman/Chairman of the Audit Committee in exceptional cases. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns.

The vigil Mechanism/ whistle blower policy forms part of this report as ANNEXURE VIII(ii) and also available at the company's website link https://www.kumarautocast.com/policies.html under the title Investor Section – Policies.

B. REMUNERATION POLICY

The Nomination & Remuneration Committee of the Company has formulated the Nomination & Remuneration policy on Director's appointment and remuneration includes the criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under **Section 178(3)** of the Companies Act, 2013. The Nomination & Remuneration Policy is annexed thereto and form part of this Report as ANNEXURE V.

The criterion of making payments to non-executive directors/ remuneration policy is annexed thereto and form part of this Report as ANNEXURE VIII (iii) and is available at the company's website link https://www.kumarautocast.com/policies.htmlunder the title Investor Section – Policies.

C. RISK MANAGEMENT POLICY

The Audit & Risk Management Committee has formulated Risk Management Policy of the Company which has been subsequently approved by the Board of Directors of the Company. The aim of risk management policy is to maximize opportunities in all activities and to minimize adversity. The policy includes identifying types of risks and its assessment, risk handling and monitoring and reporting, which in the opinion of the Board may threaten the existence of the Company.

The risk management policy forms part of this report as ANNEXURE VIII (iv) and also available at the company's website link https://www.kumarautocast.com/policies.html under the title Investor Section – Policies.

D. RELATED PARTY TRANSACTION POLICY

Related Party Transaction Policy, as formulated by the Company defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions that may have potential conflict with the interest of the Company at large. Transactions entered with related parties as

defined under the Companies Act, 2013 during the Financial Year 2022-23 were mainly in the Ordinary Course of business and on an arm's length basis. Prior approval of the Audit and Risk Management Committee is obtained by the Company before entering into any Related Party Transaction as per the applicable provisions of the Companies Act 2013.

E. CODE OF CONDUCT

The company has its Code of Conduct which extends to all directors and senior employees of the company which aims at maintaining highest standards of business conduct in line with the Ethics of the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. All senior employees have to read and understand this code and agree to abide by it.
The code of conduct forms part of this report as ANNEXURE VIII(v) and also available at the company's website link https://www.kumarautocast.com/policies.html under the title Investor Section – Policies.

F. DIVIDEND DISTRIBUTION POLICY

The equity shares of Kumar Autocast Limited ("the Company") are listed on Metropolitan Stock Exchange of India. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website. The dividend distribution shall be in accordance with the applicable provisions of the Companies Act, 2013, Rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other legislations governing dividends and the Articles of Association of the Company, as in force and as amended from time to time. The Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ('the Policy") which endeavors to enhance stakeholder value for its investors and at the same time tries to ensure the right balance between the quantum of dividend paid and the amount retained for various business purposes. The Board will recommend dividend distribution based on various internal and external factors, while striving for fairness, consistency and sustainability.

The dividend distribution policy forms part of this report as ANNEXURE VIII (vi) and also available at the company's website link https://www.kumarautocast.com/policies.html under the title Investor Section – Policies.

G. MATERIALITY POLICY

The Policy is framed by the Board of Directors of Kumar Autocast Limited in line with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'):

- to provide an overall governance framework for determination of materiality of events /information;

- to ensure timely and adequate disclosures of material events / information fully, fairly, correctly and transparently to the Stock Exchange(s), in pursuance with the Listing Regulations, to enable present and potential investors to take informed decision/s with respect to their investment in the Company.

The Materiality policy forms part of this report as ANNEXURE VIII (vii) and also available at the company's website link https://www.kumarautocast.com/policies.html under the title Investor Section – Policies.

30. AUDITORS AND AUDITORS REPORT

A. STATUTORY AUDITORS

According to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors), Rules, 2014 **M/s Vinay & Associates, Chartered Accountants, Ludhiana**, were appointed as Statutory Auditors of the company for a period of Five years from the conclusion of 37th Annual General Meeting till the conclusion of 42nd AGM at a remuneration as approved by Chairman of the company.

B. SECRETARIAL AUDITOR

M/s Harshit Arora, Company Secretary in Practice, was appointed as Secretarial Auditor of the Company by the Board of Directors for the financial year 2022-23.

The Secretarial Auditors of the Company have submitted their Report in Form No. MR-3 as required under Section 204, of the Companies Act, 2013 for the financial year ended 31st March, 2023. The Report forms part of this report as **ANNEXURE IV**.

C. INTERNAL AUDITOR:

M/s J.S Bahl & Co, Chartered Accountants, were appointed as Internal Auditor of the Company pursuant to provisions of **Section 138** of the Companies Act, 2013 by the Board of Directors to conduct internal audit of the functions and activities of the Company and maintain internal control systems of the Company.

31. SHARES

A. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

B. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

C. BONUS SHARES

The Company has not issued any Bonus Shares during the year under review.

D. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme.

32. HUMAN RESOURCES /INDUSTRIAL RELATIONS:

The Company continues to lay emphasis on building and sustaining an excellent organization climate based on human performance. Performance management is the key word for the company. Number of Employees as on 31st March, 2023 were 214.

Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

33. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The disclosures in respect of managerial remuneration as required under section 197(12) read with **Rule 5(1)** of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and form part of this report as **ANNEXURE VI**.

None of the employee of the Company receives salary of **Rs. 1,02,00,000/-** per annum or **Rs. 8,50,000/-** per month or more during the Financial Year 2022-23 as per Rule **5(2)** and **5(3)** Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

In terms of section **197(14)** of the Companies Act, 2013, the Company does not have any Holding or Subsidiary Company.

34. LISTING WITH STOCK EXCHANGE

Your company is listed on Metropolitan Stock Exchange of India (formerly known as MCX Stock Exchange Ltd.) thereby having its Shares Listed on Recognized Stock Exchange with nationwide terminals.

35. STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified under the provisions of section 164 of the Companies Act 2013. The Directors have made the requisite disclosures, as required under the Companies Act 2013.

A. OTHER DISCLOSURES

The other disclosures relating to details of non-compliance by the listed entity, penalties, structures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years; If any, have been mentioned in Secretarial Audit Report for the FY 2022-23, given as Annexure-VI below.

36. ACKNOWLEDGEMENT

The Board of Directors places on record its sincere appreciation for the dedicated services rendered by the employees of the Company at all levels and the constructive co-operation extended by them. Your Directors would like to express their grateful appreciation for the assistance and support by all Government Authorities, Auditors, financial institutions, banks, suppliers, other business associates and last but not the least the Shareholders.

By and on behalf of the Board
Kumar Autocast Limited

Dated: 07.09.2023
Place: Ludhiana

Sd/-
Ajay Kumar Sood
(Wholetime Director)
DIN: 00685585
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana 141003 PB

Sd/-
Arun Kumar Sood
(Managing Director)
DIN: 00685937
House No 2087,Urban Estates Phase-1
Dugri Model Town, Ludhiana 141002 PB

ANNEXURE 1 - EXTRACT OF ANNUAL RETURN

(Referred to Paragraph 17 under "Annual Return" section of our Report of even date)

FORM NO. MGT 9

As on financial year ended on 31.03.2022

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L27101PB1985PLC006100
2	Registration Date	09/01/1985
3	Name of the Company	KUMAR AUTOCAST LIMITED
4	Category/Sub-category of the Company	Company Limited By Shares
		Non-govt company
5	Address of the Registered office & contact details	C-179, Focal Point, Phase VI, Ludhiana, Punjab 141003. Telephone No: 0161-267142
6	Whether listed company	Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services (P) Ltd D – 153A, 1st Floor, Okhla Industrial Area, Phase 1 , New Delhi – 110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Casting	243-Casting of metals	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	7513680	-	7513680	72.43%	7513680	-	7513680	72.43%	--
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**7513680**	**-**	**7513680**	**72.43%**	**7513680**	**-**	**7513680**	**72.43%**	**-**
(2) **Foreign**									
a) NRI	-	-	-	-	-	-	-	-	-

Individuals									
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	**7513680**	**-**	**7513680**	**72.43%**	**7513680**	**-**	**7513680**	**72.43%**	**-**

B. Public Shareholding

Category of Shareholders	**No. of Shares held at the beginning of the year [As on 31-March-2022]**				**No. of Shares held at the end of the year [As on 31-March-2023]**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2. Non-Institutions										
a) Bodies Corp.										
i) Indian	-	-	-	-	-	-	-	-		-
ii) Overseas	-	-	-	-	-	-	-	-		-
b) Individuals	-	-	-	-	-	-	-	-		-
i) Individual shareholders holding nominal share capital in upto Rs. 2lakh	42115	543900	586015	5.65%	42115	543900	586015	5.65%		-
ii) Individual shareholders holding nominal share capital excess of Rs 2 lakh	168000	2106300	2274300	21.92%	168000	2106300	2274300	21.92%		-
c) Others (specify)	-	-	-	-	-	-	-	-		-
Non Resident Indians	-	-	-	-	-	-	-	-		-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-		-
Foreign Nationals	-	-	-	-	-	-	-	-		-
Clearing Members	-	-	-	-	-	-	-	-		-
Resident Indian HUF	5	-	5	0.00	5	-	5	0.00		
Trusts	-	-	-	-	-	-	-	-		-
Foreign Bodies - D R	-	-	-	-	-	-	-	-		-
Sub-total (B)(2):-	210120	2650200	2860200	27.57%	210120	2650200	2860320	27.57%		-
Total Public (B)	**210120**	**2650200**	**2860200**	**27.57%**	**210120**	**2650200**	**2860320**	**27.57%**		-

C. Shares held by Custodian for GDRs & ADRs

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2022]				No. of Shares held at the end of the year [As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Total (A+B+C)	**7723800**	**2650200**	**10374000**	**100.00%**	**7723800**	**2650200**	**10374000**	**100.00%**	**-**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Arun Kumar Sood	3525900	33.99%	0.00	3525900	33.99%	0.00	-
2	Ajay Kumar Sood	1352280	13.04%	0.00	1352280	13.04%	0.00	-
3	Ashish Kumar Sood	1640100	15.81%	0.00	1640100	15.81%	0.00	-
4	Shama Sood	569100	5.49%	0.00	569100	5.49%	0.00	-
5	Alka Sood	2100	0.02%	0.00	2100	0.02%	0.00	-
6	Seema Sood	424200	4.09%	0.00	424200	4.09%	0.00	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			7513680	72.43%	7513680	72.43%
	Changes during the year	-	-	-	-	-	-
	At the end of the year			7513680	72.43%	7513680	72.43%

(iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Raghubir Singh Panchal						
	At the beginning of the year			424200	4.09%	424200	4.09%
	Changes during the year			-	-	-	-
	At the end of the year			424200	4.09%	424200	4.09%
2	Sh. Paramjit Singh						
	At the beginning of the year			210000	2.03%	210000	2.02%
	Changes during the year			-	-	-	-
	At the end of the year			210000	2.03%	210000	2.02%

3	Smt. Rajinder Kaur						
	At the beginning of the year			172200	1.66%	172200	1.66%
	Changes during the year			-	-	-	-
	At the end of the year			172200	1.66%	172200	1.66%
4	Sh. Preet Mohinder Singh						
	At the beginning of the year			168000	1.62%	168000	1.62%
	Changes during the year			-	-	-	-
	At the end of the year			168000	1.62%	168000	1.62%
5	Sh. Vinod Sagar						
	At the beginning of the year			147000	1.42%	147000	1.42%
	Changes during the year			-	-	-	-
	At the end of the year			147000	1.42%	147000	1.42%
6	Smt. Renu Sharma						
	At the beginning of the year			147000	1.42%	147000	1.42%
	Changes during the year			-	-	-	-
	At the end of the year			147000	1.42%	147000	1.42%
7	Sh. Bikram Singh						
	At the beginning of			86100	0.83%	86100	0.83%

	the year						
	Changes during the year			-	-	-	-
	At the end of the year			86100	0.83%	86100	0.83%
8	Sh. Surinder Abrol						
	At the beginning of the year			86100	0.83%	86100	0.83%
	Changes during the year			-	-	-	-
	At the end of the year			86100	0.83%	86100	0.83%
9	Sh. Ramesh Kumar Sharma						
	At the beginning of the year			84000	0.81%	84000	0.81%
	Changes during the year			-	-	-	-
	At the end of the year			84000	0.81%	84000	0.81%
10	Sh. Ashwani Khanna						
	At the beginning of the year			84000	0.81%	84000	0.81%
	Changes during the year			-	-	-	-
	At the end of the year			84000	0.81%	84000	0.81%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Arun Kumar Sood**						
	At the beginning of the year			35,25,900	33.99%	35,25,900	33.99%
	Changes during the year			-	-	-	-
	At the end of the year			35,25,900	33.99%	35,25,900	33.99%
2	**Ajay Kumar Sood**						
	At the beginning of the year			13,52,400	13.04%	13,52,280	13.04%
	Changes during the year			-	-	-	-
	At the end of the year			13,52,400	13.04%	13,52,280	13.04%
3	**Ashish Kumar Sood**						
	At the beginning of the year			16,40,100	15.81%	16,40,100	15.81%
	Changes during the year			-	-	-	-
	At the end of the year			16,40,100	15.81%	16,40,100	15.81%
4	**Pranav Khanna**						
	At the beginning of the year			42,000	0.40%	42,000	0.40%
	Changes during the year			-	-	-	-
	At the end of the year			42,000	0.40%	42,000	0.40%
5	**Rakesh Dhanda**						
	At the beginning of the year			109200	1.05%	109200	1.05%
	Changes during the year			-	-	-	-
	At the end of the year			109200	1.05%	109200	1.05%

**Other directors and KMP's do not have any shareholding in the company as on 31.03.2023*

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt in Lakhs)

Particulars	Secured Loans excluding deposits (in Lacs)	Unsecured Loans	Deposits	Total Indebtedness (in Lacs)
Indebtedness at the beginning of the financial year				
i) Principal Amount	454.09	-	-	454.09
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	454.09	-	-	454.09
Change in Indebtedness during the financial year				
Addition				
Loan Taken	160.71	-	-	160.71
Interest On Loan	-	-	-	-
Reduction				
Loan Repaid	0.00	-	-	0.00
Net Change	160.71	-	-	160.71
Indebtedness at the end of the financial year				
i) Principal Amount	614.8	-	-	614.8
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	**614.8**	-	-	**614.8**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager) (in lacs)			Total Amount (in lacs)
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Arun Kumar 45.17 -	Ajay Kumar 45.17 -	Ashish Kumar 45.17 -	 135.51 -
2.	Stock Option	-			-
3.	Sweat Equity	-			-
4.	Commission - as % of profit - Others, specify…	-			-
5.	Others, please specify (Medical Reimbursement)	2.40	2.89	1.08	6.37
6.	Total (A)	47.57	48.06	46.25	141.88

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (1)					
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	N/A	N/A	N/A	N/A	-
	Total (2)	-	-	-	-	-

	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(Amt. in INR Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N/A	2.35	5.50	7.85
2.	Stock Option	N/A	N/A	N/A	-
3.	Sweat Equity	N/A	N/A	N/A	-
4.	Commission - as % of profit - others, specify…	N/A	N/A	N/A	-
5.	Others, please specify				
6.	Total	-	2.35	5.50	7.85

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

Compounding	Nil	Nil	Nil	Nil	Nil

By and on behalf of the Board
Kumar Autocast Limited

Dated: 07.09.2023
Place: Ludhiana

Sd/-

Ajay Kumar Sood
(Wholetime Director)
DIN: 00685585
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana 141003 PB

Sd/-

Arun Kumar Sood
(Managing Director)
DIN: 00685937
House No 2087,Urban Estates Phase-1
Dugri Model Town, Ludhiana 141002 PB

ANNEXURE'II'

FORM NO. AOC -2

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

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

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

SL. No.	Particulars	Details
1.	Name (s) of the related party	1. NIL
	Nature of Relationship	None
2.	Nature of contracts/arrangements/transaction	None
3.	Duration of the contracts/ arrangements/ transaction	NIL
4.	Amount (In Lakhs)	N.A.
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
6.	Date of approval by the Board	

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

SL.	Particulars	Details

No.		
1.	Name (s) of the related party	1. Kumar Exports (UNIT-1)
	Nature of Relationship	Associate Firm
2.	Nature of contracts/arrangements/transaction	Purchases/Labour Job Sales Amount Receivable
3.	Duration of the contracts/ arrangements/ transaction	Ongoing
4.	Amount (In Rs.)	Rs. 48.59 Lakhs Rs. 2883.11 Lakhs Rs. 1147.40 Lakhs
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	i) Purchase of Casting and Forging Materials ii) Labour Job of metal forging parts. iii) Sales of Casting and Forging Materials
6.	Date of approval by the Board	07.09.2022

	Nature of Transactions during the year	**Details**
		Amount in Lakh (Rs.)
Key Managerial Personnel	**REMUNERATION**	
	Ashish Kumar Sood	45.17
	Ajay Kumar Sood	45.17
	Arun Kumar Sood	45.17
	Pranav Khanna	2.35
	Usha Jayaprakash	5.50
	MEDICAL REIMBURSEMENT	
	Ashish Kumar Sood	1.08
	Ajay Kumar Sood	2.89
	Arun Kumar Sood	2.40
	AMOUNT PAYABLE	
	Ashish Kumar Sood	8.39
	Ajay Kumar Sood	8.39
	Arun Kumar Sood	8.39
	Pranav Khanna	0.37
	Usha Jayaprakash	0.64
	Date of approval by the Board	07.09.2022

By and on behalf of the Board
Kumar Autocast Limited

Dated: 07.09.2023
Place: Ludhiana

Sd/-
Ajay Kumar Sood
(Wholetime Director)
DIN: 00685585
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana 141003 PB

Sd/-
Arun Kumar Sood
(Managing Director)
DIN: 00685937
House No 2087,Urban Estates Phase-1
Dugri Model Town, Ludhiana 141002 PB

ANNEXURE 'III'

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

1. The steps taken or impact on conservation of energy;

Kumar Autocast Limited continued to emphasize on the conservation and optimal utilization of energy in manufacturing unit of the Company. The energy conservation measures Implemented during FY 2022-23 are listed below:

- Maintenance of the machines as per schedule.
- Lights in the Factory area are switched off whenever not required.
- Energy audit is conducted and recommendations are implemented.

2. Additional Investments & Proposals, if any, being implemented for Reduction of Consumption of Energy:

The company continued its efforts towards effective utilization of energy for reduction in power consumption. The Company is constantly exploring the use of alternate sources of energy that are commensurate with the scale of present operations and the type of products being manufactured.

3. The capital investment on energy conservation equipments;

During the year under review, there was no capital investment on Energy Conservation Equipments.

Disclosure of particulars with respect to conservation of energy:

Particulars	2022-23	2021-22
POWER CONSUMPTION		
Units Purchased (KWH)	80,50,575	76,55,603
Amount (Rs.)	5,60,32,000	5,32,83,000.00
Average Rate Per Unit (Rs.)	6.96	6.96

B. TECHNOLOGY ABSORPTION

(1) Efforts, in brief, made towards technology absorption, adaptation and innovation:

- Imparting training to personnel in various manufacturing techniques by experts.

(2) Benefits derived like Product Improvement, Cost Reduction, Product Development or Import Substitution as a result of above efforts:

- Increase productivity.
- Power saving.
- Manpower cost reduced.
- Raw materials cost reduction.
- Production wastage reduced.

(3) Information regarding technology imported during the last 3 years

- The Details of Technology Imported - NIL
- The Year of Import - Not Applicable
- Whether Technology Has been Fully Absorbed - Not Applicable
- If Not Fully Absorbed, Areas Where Absorption has not taken place and the reasons thereof. - Not Applicable

(4)Expenditure on Research and Development

During the year under review the company did not incurred any expenses on Research and Development.

C. <u>FOREIGN EXCHANGE EARNINGS AND OUTGO</u>

During the year under review the company has Import of USD 141250/- (INR.11364900.50) in FY 2022-23 from M/s Vietnam Abrasives Co.Ltd.

By and on behalf of the Board
Kumar Autocast Limited

Dated: 07.09.2023
Place: Ludhiana

Sd/-
Ajay Kumar Sood
(Wholetime Director)
DIN: 00685585
House No 2086, Phase-1, Dugri Road,
Urban Estate Ludhiana 141003 PB

Sd/-
Arun Kumar Sood
(Managing Director)
DIN: 00685937
House No 2087,Urban Estates Phase-1
Dugri Model Town, Ludhiana 141002 PB

ANNEXURE 'IV'

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to **Section 204(1)** of the **Companies Act, 2013** and **Rule No.9** of the Companies **(Appointment and Remuneration of Managerial Personnel) Rules, 2014**]

To,

The Members,
Kumar Autocast Limited
C-179, Focal Point
Phase VI, Ludhiana,
Punjab (India).

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices made by **Kumar Autocast 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 our opinion thereon.

Based on our virtual verification of the books, papers, minutes 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 audit period covering the financial year ended on **31.03.2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute book, forms and returns filed and other records maintained by the company for the financial year ended on **31.03.2023** according to the provisions of:

i) the **Companies Act, 2013** (the Act) and the rules made thereunder;

ii) The **Securities Contracts (Regulation Act, 1956 ('SCRA')** and the rules made thereunder:

iii) The **Depositories Act, 1996** and the Regulations and Bye-laws framed thereunder

iv) **Foreign Exchange Management Act, 1999** and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – Not applicable during the audit period.

v) The following Regulations and Guidelines 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; Not Applicable during the Audit Period

b) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) Regulations, 2015; Not Applicable during the audit period

c) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) Regulations, 2018; Not applicable to the company during period of audit

d) The Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021;To the extent applicable on unlisted companies.

e) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2021; Not applicable to the company during period of audit.

f) Securities and Exchange Board of India (**Issue and Listing of Non-Convertible Securities**) Regulations, 2021; Not Applicable during the audit period

g) The Securities and Exchange Board of India (**Issue and Listing of Debt Securities and Security Receipts**) Regulations, 2008;Not Applicable during the audit period

h) The Securities and Exchange Board of India (**Registrar to an Issue and Share Transfer Agents**) Regulations, 1993 regarding the Companies Act and dealing with client; To the extent of its applicability on Unlisted company.

i) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2009; Not applicable to the company during period of audit.

j) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 1998; Not applicable to the company during period of audit

k) Listing Agreement and SEBI (**Listing Obligations and Disclosure Requirements**) Regulations 2015; Not Applicable during the audit period.

Based on the above examination, We hereby report that, during the Review Period:

We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except with regard to

(i) Non-compliance of Reg. 23 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 23 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Non-compliance with Regulation 23 (1) of SEBI (LODR)	**The Company has taken adequate steps and actions to comply with the required Regulations, provisions and guidelines.**

- The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any.
1.	Securities and Exchange Board of India	Non-compliance with Regulation 23 (1) of SEBI (LODR) Regulations, 2015	With reference to letter issued by SEBI with respect to penal actions prescribed for Non-compliance with disclosure of related party transactions	**The company had updated the Related Party Transactions on the company's website and ensures that the website is updated with the required disclosures within prescribed time.**

(ii) Non-compliance of Reg. 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Non-compliance with Regulation 23 (9) of SEBI (LODR) Regulations,	**The Company has taken adequate steps and actions to comply with the required Regulations, provisions and guidelines.**

- The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any.
1.	Securities and Exchange Board of India	Non-compliance with Regulation 23 (9) of SEBI (LODR) Regulations, 2015	With reference to letter issued by SEBI with respect to penal actions prescribed for non-compliance of Non-compliance with disclosure of related party transactions on consolidated. As a result, fine charges of Rs. 11,800/- (Including GST @ 18 %) were imposed by the Exchange on the Listed entity.	**The fine charges as imposed by the Exchange were paid off by the company.**

We further report that the Board of Directors of the Company is duly 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 period under review were carried out in compliance with the provisions of the Companies Act, 2013.

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 at the meeting.

Adequate notice is given to all directors/members/shareholders to schedule the **General Meetings, Agenda** and detailed **notes** on agenda were sent at least Twenty One 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 at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Ludhiana
Date: 02.09.2023 :

Sd/-
Harshit arora
Harshit Arora & Associates
ACS No. F12307
CP No. 14807
UDIN: F012307E000923668

- **Note:** 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.

- **LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING AUDIT PERIOD**

  - **List of Labour Laws**

    - Factories Act, 1948
    - Industrial Disputes Act, 1947
    - The Payment of Wages Act, 1936
    - The Minimum Wages Act, 1948
    - Employee's State Insurance Act, 1948
    - The Payment of Bonus Act, 1972
    - The Apprentices Act, 1961
    - Employee's Provident Fund and Miscellaneous Provisions Act, 1952

  - **List of Environmental Laws**

    - Environment (Protection) Act, 1986
    - Water (Prevention and Control of Pollution) Act, 1974
    - Air (Prevention and Control of Pollution) Act, 1981

Annexure: -A

The Members,
Kumar Autocast Limited
C-179, Phase VI, Focal Point
LUDHIANA
Punjab (India).

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 the random 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 and we have relied on such representation for giving our report.

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 random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with the management has conducted the affairs of the Company.

Place: Ludhiana
Date: 02.09.2023

Sd/-

Harshit arora
Harshit Arora & Associates
ACS No. F12307
CP No. 14807
UDIN: F012307E000923668

ANNEXURE 'V'

NOMINATION & REMUNERATION POLICY OF THE COMPANY:

1. PREFACE:

Pursuant to the **Section 178** of the Companies Act, 2013 read with the **Rule 6** of the Companies (Meeting of the Board and its powers) Rules, 2014, the Nomination and Remuneration committee of the Board of the Company has formulated a policy to decide the criteria for the appointment and for the remuneration to the Directors, key managerial personnel and other employees. The Policy also aims to attract, motivate and retain manpower in a competitive and global markets scenario which is formulated by the Committee and approved by the Board of Directors in their meeting held on **24.12.2014**.

Produced here below is the "**Nomination &Remuneration Policy**" of the Company in compliance with **Section 178** of the Companies Act, 2013 for the object as mentioned herein.

2. ROLE OF THE COMMITTEE:

a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to Board their appointment and removal.

b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.

c) To recommend to the Board remuneration policy related to remuneration of Directors (Whole Time Directors, Executive Directors etc), Key Managerial Personnel and other employees while ensuring the following:-

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
- That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- That remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate of the working of the company and its goals.

-To formulate criteria for evaluation of Directors and the Board.

-To devise a policy on Board diversity.

3. MEMBERSHIP:

a). The Committee shall consist of a minimum 3 non-executive directors, majority of them being Independent.

b) Minimum two (2) members shall constitute a quorum for the Committee meeting.

c) Membership of the Committee shall be disclosed in the Annual Report.

d) Term of the Committee shall be continued unless terminated by the Board of Directors.

4. CHAIRMAN:

a) Chairman of the Committee shall be an Independent Director.

b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

5. FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

6. COMMITTEE MEMBERS' INTERESTS:

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

8. VOTING:

a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. MINUTES OF COMMITTEE MEETING:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

10. EFFECTIVE DATE & AMENDMENTS:

This policy will be effective from **24.12.2014** and may be amended subject to the approval of Board of Directors.

Place: Ludhiana
Date: 07.09.2023

By and on behalf of the Board
Kumar Autocast Limited

Sd/-
Ajay Kumar Sood
(Wholetime Director)
DIN: 00685585
2086, Phase-1, Urban Estate,
Ludhiana, 141003

Sd/-
Arun Kumar Sood
(Managing Director)
DIN: 00685937
2087, Phase-1, Urban Estate,
Dugri, Ludhiana, 141003

ANNEXURE 'VI'

Particulars of Employees and Related Disclosures

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director / KMP for the Financial Year 2022-23 (Rs. In Lacs)	% Increase in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Arun Kumar Sood, Executive Director	45.17	(7.55%)	50.96:1	During 2022-23, the Company incurred profit before depreciation, interest and tax of **Rs. 31.97 Lacs** as against PBDIT of **Rs. -14.88 Lacs** in the previous year. During 2022-23 the profit after tax was **Rs. 125.93 Lacs** as against loss of **Rs. -110.19 Lacs** last year.
2.	Ashish Sood, Executive Director	45.17	(7.55%)	50.96:1	
3.	Ajay Kumar Sood, Executive Director	45.17	(7.55%)	50.96:1	
4.	Shrey Bhutani, Non-Executive Independent Director	-	-	-	-
5.	Rakesh Dhanda, Non-Executive Independent Director	-	-	-	-
6.	Ritu Mehra Non-Executive	-	-	-	-

	Independent Woman Director				
7.	Aravind Prasad, Non-Executive Independent Director (cessation w.e.f. (07.09.2022))	-	-	-	-
8.	Neha Sood, Non Executive Independent Woman Director w.e.f. (07.09.2022))	-	-	-	-
9.	Usha Jayaprakash (CFO)	5.50	(1.67%)	1.88:1	-
10.	Pranav Khanna Company Secretary	2.35	-	1.41:1	During 2022-23, the Company incurred profit before depreciation, interest and tax of **Rs. 31.97 Lacs** as against PBDIT of **Rs. -14.88 Lacs** in the previous year. During 2022-23 the profit after tax was **Rs. 125.93 Lacs** as against loss of **Rs. -110.19 Lacs** last year.

* Details not given as **Mr. Rakesh Dhanda, Mr. Shrey Bhutani & Ms. Ritu Mehra** were appointed as Independent Directors and no such sitting fee is paid to attend the meetings.

Annexure VIII
Policies

Annexure VIII(i)

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Preamble

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) stipulates that the Company shall familiarize the Independent Directors through various programmes about the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities as Independent Directors of the Company, etc., through various programmes. As per Listing Regulation the details of the Familiarization programme for Independent Directors shall be disseminated on the website of the Company.

1. Initial Familiarization Module

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Company conducts an introductory familiarization program / presentation, when a new Independent Director comes on the Board of the Company. At the outset, all the independent directors are provided an overview of;

a) Criteria of independence applicable to Independent Directors as per Listing Regulations and the Companies Act, 2013;

b) Time allocation by the Independent Directors on financial controls, overseeing systems of risk management, financial management compliance, Corporate Social Responsibility, Stakeholders conflicts, Board effectiveness, strategic direction, Meetings and performance assessment;

c) Roles, functions, Duties, Responsibilities and liabilities of Independent Directors;

d) Directors Responsibility Statement forming part of Boards' Report;

e) Vigil Mechanism including policy formulation, disclosures, code for Independent Directors;

f) Risk Management Systems & framework;

g) Board Evaluation Process and Procedures;

The Director is also explained in detail the compliances required from him under the Companies Act, Listing Regulations and other relevant regulations and his affirmation taken with respect to the same. With a view to familiarize him with the Company's operations, the

Chairman/Managing Director provides a one-to-one interaction on the organisational set up, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him to effectively fulfill his role as a Director of the Company.

2. Continual Familiarization Modules

The Company follows a structured orientation programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis. The familiarization module inter-alia, includes regular inputs on strategy and business model of the Company, budgeting and planning, performance of various business verticals, statutory reporting including Internal Audit Reports, SEBI Audit Reports and compliance related certifications and overview of business of subsidiaries on an on-going basis through the Chairman/ Managing Director/Chief Financial Officer and the Senior Managerial Personnel. The Company also provides an opportunity to the Independent Directors to interact with the senior team leader of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, facilities and risk management and such other areas. Presentations are made to the Board of Directors / Audit Committee (AC) (minutes of AC and other Board Committees are circulated to the Board), where Directors get an opportunity to interact with Executive Committee members and Business Heads. The Board of Directors has complete access to the information within the Company. Independent Directors have the freedom to interact with the Company's management.

Apart from this, they also have independent interactions with the Statutory Auditors, the Internal Auditors and external advisors appointed from time to time. Further, they meet regularly without the presence of any management personnel and their meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

3. REVIEW

This Familiarization Process shall be reviewed and revised by the Board as and when required.

Disclosure of the Policy:

Pursuant to Regulation 46(2) of Listing Regulations, the Familiarization Programme shall be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report.

Annexure VIII(ii)

VIGIL MECHANISM POLICY

Preamble

The Companies Act 2013 under the provisions of Section 177 has mandated that "*every listed Company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed". Further such vigil mechanism under "shall provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases".*

Pursuant to the provisions of Section 177 (9) & (10) read with rule 7 of Chapter XII of the Companies Act, 2013, the Company has set up and adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company and shall be overseen by the Audit Committee (hereinafter referred to as 'Committee') of the Company. The Mechanism as set up herein-below shall enable the employees and the directors of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards laid down herein.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to voice their genuine concerns without fear of censure.

Mechanism

1. ***Objectives:-***

   To encourage employees to bring genuine ethical and legal concerns, violations and suspected fraudulent behaviour of which they are or become aware of, to an internal authority so that action can be taken immediately to resolve the problem.

   To minimize the Company's exposure to the damage that can occur when the employees actually or potentially try to circumvent internal mechanisms in furthering the aforementioned concerns, violation and frauds.

   To let employees know that the Organization is serious about adherence to Code of conduct or policy.

2. ***Scope***

   This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company's rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected.

However the mechanism does not release the employees from their duty of confidentiality in the course of their work and nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

3. ***Eligibility***

All Employees and Directors of the Company are eligible to make disclosures under the mechanism in relation to matters concerning the Company.

4. ***Procedure:-***

1. Where any director or employee finds or observes any of following activities (but not limited to) then he must within a period of 30days of occurrence of event or on the date on which he comes to know, report in writing their complaint / grievance in the format as provided in **Annexure 1** to this mechanism:

   Embezzlement of funds.
   Any prejudicial act in which stakeholders interest or public interest is involved.
   Serious frauds which are affecting or may affect the financial position of the Company.
   Internal theft.
   Payoff &Kickbacks etc.

2. The Complainant shall address the Complaints / Grievances to the Vigilance Officer (as may be designated by the Audit Committee) of the Company or the Chairman of the Audit Committee (in exceptional cases). The duly filled complaint form provided herein shall be submitted to *any* of the above mentioned person(s):

3. In order to protect the identity of the complainant, the Vigilance Officer or the Committee will maintain confidentiality of the complainants.

4. The Committee on the receipt of disclosure of any of above frauds or events shall make a record of the disclosure and also ascertain from the complainant whether he was the person who made the disclosure or not. The Committee shall also carry out initial investigation either itself or at its discretion by involving any other official of the Company or an outside agency as it may deem fit.

5. The decision to undertake the investigation by the Committee shall not by itself be regarded as the acceptance of the accusation by the Committee. It is a neutral fact finding process to ascertain the truth of the accusation.

6. Any member of the Audit Committee or such other officer involved in the investigation, having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.

7. The Committee as it deems fit, may call for further information from the complainant.

8. The Committee shall carry out detailed investigation if the reported disclosure is found to be correct.

9. The Employee/Director against whom disclosure has been reported shall:- Co-operate with Committee or any person appointed in this regard.
   Have a right to consult any person of his choice other than members of Committee and / or Complainant.
   Not interfere in investigations conducted by Committee.

   Not withhold, tamper or destroy any of evidences.
   Unless otherwise restricted, be given an opportunity to respond to material findings.
   Not threaten, influence or intimidate complainant or any of witnesses. Have a right to know the outcomes of investigation.

10. The Investigations shall be completed within a period of 60days.

5. ***Decisions and Reporting***

If the outcome of the investigation leads to a conclusion that, any improper or unethical act has been committed, then the Committee must record the same and recommend the Complaint along with the findings of the Committee upon investigation to the management for the disciplinary or corrective action to be taken against the concerned employee/director. The decision of the Committee shall be recorded with reasons and a copy of the same shall be forwarded to the complainant and the subject.

If the decision is not to the satisfaction of the complainant then the complainant has the right to report the event to the appropriate legal or investigating authority. However, if the complainant makes false or wrong allegations then disciplinary actions in accordance with the rules, procedures and policies of the Company shall be taken against the complainant as the Committee may decide.

6. ***Penalties***

If the alleged fraud or misconduct is proven after investigation, the Committee may impose such penalty / fine as it may deem fit depending upon nature of fraud or unethical act done by the person.

7. ***Secrecy and Confidentiality***

The Committee as well as complainant shall:-
Maintain confidentiality of all matters under this policy.
Discuss only to the extent or with those persons as required under this policy for completing the process of investigation.
Not keep the papers unattended anywhere at any time.
Keep the electronic mails / files under password and under safe custody.

8. ***Protection***

No unfair treatment will be meted out to a complainant by virtue of his/ her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against complainants. Complete protection will therefore be given to complainant against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the complainant's right to continue to perform his duties /functions including making further disclosure.

The Company will take steps to minimize difficulties which the complainant may experience as a result of making the disclosure. Thus, if the complainant is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the complainant to receive advice about the procedure, etc.

A complainant may report any violation of the above clause to the Chairman of the Committee, who shall investigate into the same and recommend suitable action to the management. The identity of the complainant shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority.

In the event of the identity of the complainant being disclosed, the Committee is authorized to initiate appropriate action as per extent regulations against the person or agency making such disclosure. The identity of the complainant, if known, shall remain confidential to those persons directly involved in applying this mechanism, unless the issue requires investigation by law enforcement agencies.

Any other employee assisting in the said investigation shall also be protected to the same extent as the Complainant. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and that he has acted in good faith. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

9. **Direct Access to Chairman**

The complainant shall have direct access to Chairman of Committee in exceptional cases. The Chairman shall prescribe suitable direction in this regard.

10. ***Display of Mechanism on Website***

The Mechanism herein set up cannot be effective unless it has been communicated to eligible person described herein above. For this purpose Company shall display it on its website and shall also disclose it in Board's Report.

11. *Retention of Documents*

The evidences, documents received by the committee in due course of time during investigation shall be preserved for three (3) years or for such period as may be specified by law in force in this regard from time to time.

12. *Amendments*

The Company reserves right to amend, modify, and cancel any of the provisions of the mechanism in whole or in part set up herein above or may restrict subject to such conditions as it may deem fit.

Date of Approval By Board of Director's: 18.06.2014

Annexure 1

Date:_____

Name of Complainant (Employee/Director)_____

Email-id_____

Address:_____

Contact No._____

Subject matter which is being reported

_____

Name of Person/Event focused at:

_____

Brief about concern_____

Evidence (if Any)_____

_____

Signature

Annexure VIII(iii)

1. Criteria of making payments to Non-Executive Directors

With changes in the corporate governance norms brought by the Companies Act, 2013 as well as the SEBI (Listing Obligation Disclosure Requirement) Regulation 2015, the role of Non-Executive Directors (NED) and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the NEDs. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. Levels of remuneration to the NEDs are determined such that they attract, retain and motivate directors of the quality and ability required to run the Company successfully.

Under the SEBI (Listing Obligation Disclosure Requirement) Regulation 2015, requires every company to publish its criteria of making payments to NEDs in its annual report. Alternatively, this may be put up on the company's website and reference may be drawn thereto in its annual report. Section 197 of the Companies Act, 2013 and Regulation 17(6)(a) of SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 require the prior approval of the shareholders of a company for making payment to its NEDs.

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

Sitting Fee:

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law or for any other purpose whatsoever as may be decided by the Board;

Commission:

Under the Companies Act, 2013, Section 197 allows a company to pay remuneration to its NEDs either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other. Further, the section also states that where the company has managing

director or whole-time director or manager, then a maximum of 1% of its net profits can be paid as remuneration to its NEDs. In case there is no managing director or whole-time director or manager, then a maximum of 3% of net profit can be paid. Thus, the basis of payment to the NEDs is the net profit of the Company.

Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board. However the Company is however not obligated to remunerate its NEDs.

Refund of excess remuneration paid:

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it.

Reimbursement of actual expenses incurred:

NEDs may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/Committee Meetings.

The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of NEDs.

Payment to independent directors:

An independent director shall not be entitled to any stock option and shall receive Sitting fees for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013, SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 or other applicable law as amended from time to time. Further they may also be paid / reimbursed such sums incurred as actuals for travel, incidental and / or actual out of pocket expenses incurred by such Director / Member for attending Board / Committee Meetings.

The above criteria and policy are subject to review by the Nomination & Remuneration Committee and the Board of Directors of the Company.

Amendments

The Company reserves the right to modify and/or amend this document at any time subject to the applicable provisions the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annexure VIII(iv)

2. RISK MANAGEMENT POLICY

BACKGROUND

KUMAR AUTOCAST LIMITED is engaged in the manufacture and marketing of agricultural implements, automotive components, tool makers, brass founders, metal workers, boiler makers, millwrights, iron and steel converters, smiths, coke manufacturers, electrical engineers, water supply engineers, smelters, iron plates makers and framers and manufacturing of heavy and light forgings, casting of ferrous and non ferrous metals. The business activities of the Company carry various internal and external risks.

'Risk' in literal terms can be defined as the effect of uncertainty on the objectives. Risk is measured in terms of consequences and likelihood. Risks can be internal and external and are inherent in all administrative and business activities. Every member of any organisation continuously manages various types of risks. Formal and systematic approaches to managing risks have evolved and they are now regarded as good management practice also called as Risk Management.

'Risk Management' is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of uncertain events or to maximize the realisation of opportunities. Risk management also provides a system for the setting of priorities when there are competing demands on limited resources.

Effective risk management requires:

- A strategic focus,
- Forward thinking and active approaches to management
- Balance between the cost of managing risk and the anticipated benefits, and
- Contingency planning in the event that critical threats are realised.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, return on investments, business cycle, increase in price and costs, limited resources, retention of talent, etc.

1. LEGAL FRAMEWORK

Risk Management is a key aspect of Corporate Governance Principles and Code of Conduct which aims to improvise the governance practices across the business activities of any organization. The new Companies Act, 2013 and the Equity Listing Agreement have also incorporated various provisions in relation to Risk Management policy, procedure and practices.

The provisions of Section 134(3)(n) of the Companies Act, 2013 necessitate that the Board's Report should contain a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Further, the provisions of Section 177(4)(vii) of the Companies Act, 2013 require that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall *inter alia* include evaluation of risk management systems.

In line with the above requirements, it is therefore, required for the Company to frame and adopt a "Risk Management Policy" (this Policy) of the Company

2. PURPOSE AND SCOPE OF THE POLICY

The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The specific objectives of this Policy are:

- To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
- To establish a framework for the company's risk management process and to ensure its implementation.
- To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- To assure business growth with financial stability.

3. APPLICABILITY

This Policy applies to all areas of the Company's operations.

4. KEY DEFINITIONS

- Risk Assessment –
  The systematic process of identifying and analyzing risks. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks

- Risk Management –

The systematic way of protecting business resources and income against losses so that the objectives of the Company can be achieved without unnecessary interruption.

- Risk Management Process -
  The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analyzing, evaluating, treating, monitoring and communicating risk.

5. RISK FACTORS

The objectives of the Company are subject to both external and internal risks that are enumerated below:-

- External Risk Factors

  Economic Environment and Market conditions Competition

  Revenue Concentration and liquidity aspects-

  Each business area of products such as pumps, turbines, motors, generators, switchgears and turnkey projects has specific aspects on profitability and liquidity. The risks are therefore associated on each business segment contributing to total revenue, profitability and liquidity. Since the projects have inherent longer time-frame and milestone payment requirements, they carry higher risks for profitability and liquidity.

  Inflation and Cost structure-

  Inflation is inherent in any business and thereby there is a tendency of costs going higher. Further, the project business, due to its inherent longer time-frame, as much higher risks for inflation and resultant increase in costs.

  Technology Obsolescence –

  The Company strongly believes that technological obsolescence is a practical reality. Technological obsolescence is evaluated on a continual basis and the necessary investments are made to bring in the best of the prevailing technology.

  Legal –

  Legal risk is the risk in which the Company is exposed to legal action. As the Company is governed by various laws and the Company has to do its business within four walls of law, the Company is exposed to legal risk.

  Fluctuations in Foreign Exchange-

  The Company has limited currency exposure in case of sales, purchases and other expenses. It has natural hedge to some extent. However, beyond the natural hedge, the risk can be measured through the net open position i.e. the difference between un- hedged outstanding receipt and payments. The risk can be controlled by a mechanism of "Stop Loss" which means the Company goes for hedging (forward booking) on open position when actual exchange rate reaches a particular level as compared to transacted rate.

- Internal Risk Factors
  Project Execution
  Contractual
  Compliance
  Operational
  Efficiency

Hurdles in optimum use of resources Quality Assurance
Environmental Management
Human Resource Management
Culture and values

6. RESPONSIBILITY FOR RISK MANAGEMENT

Generally every staff member of the Organization is responsible for the effective management of risk including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

7. COMPLIANCE AND CONTROL

All the Senior Executives under the guidance of the Chairman and Board of Directors has the responsibility for over viewing management's processes and results in identifying, assessing and monitoring risk associated with Organization's business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk. In doing so, the Senior Executive considers and assesses the appropriateness and effectiveness of management information and other systems of internal control, encompassing review of any external agency in this regards and action taken or proposed resulting from those reports.

8. REVIEW

This Policy shall be reviewed at least every year to ensure it meets the requirements of legislation and the needs of organization.

9. AMENDMENT

This Policy can be modified at any time by the Board of Directors of the Company.

Approved by Board As on: 02.09.2014

Annexure VIII (v)

Code of Conduct

INTRODUCTION

Applicable to all Directors and Officers in Management Cadre – (hereinafter referred to as 'Employees')

The Company is committed to integrity in every facet of its business. For each of us this means conducting ourselves according to high ethical and legal standards. The Code of Conduct sets forth the Company's policy to comply with the local laws and regulations. Each Designated Person is expected to comply with the code in letter and spirit.

The code also sets forth the Company's business ethics policy relating to business and commercial activities and conduct by Employees. Business decisions always must reflect high ethical standards and not be influenced by business or personal interests that Employees may have with third parties or by unauthorized concessions or payments to or from third parties.

3. Code of Conduct

A. Discrimination in Employment and Unlawful Harassment-

In the conduct of business, each employee is required to respect the rights and cultural differences of individuals. The Company is also committed to following the applicable labour and employment laws.

The Company prohibits all forms of unlawful discrimination, retaliation and harassment in the workplace, including, but not limited to, unlawful discrimination on the basis of race, color, religion, sex, national origin, citizenship, sexual orientation, age, physical or mental disability or any other legally protected status. The Company also strives to achieve a work environment that is free from unlawful discrimination, retaliation and harassment, including sexual harassment. This obligation extends to supervisory and non-supervisory personnel, as well as contractors, vendors, clients or visitors to the extent that their conduct affects the work environment or interferes with performance of work.

Employees who feel that they have been subjected to unlawful discrimination, retaliation or harassment should notify their supervisor and/or a Human Resource manager who promptly will investigate the matter. Employees need not make the complaint to their supervisor or the local Human Resource manager if they are uncomfortable in doing so, or if these individuals are involved in the subject activity. In such circumstances, Employees may contact the top Human Resource professional at the Corporate Office at Ludhiana. Prompt investigative action will be taken and where appropriate, remedial or corrective action will be taken with respect to unlawful harassment or discrimination. Employees will not be subject to retaliation for reporting incidents that they, in good faith, believe are violation of this policy.

B. Privacy-

The Company expects all Employees to protect individually identifiable customer information and sensitive personal information about employees, applicants and research study subjects from inappropriate or unauthorized use or disclosure, and to comply with privacy and data protection policies established by the Company as well as all privacy-related laws, regulations and treaties. The Company maintains the right to inspect and monitor employee use of Company property such as computers, e-mail and phone systems.

C. Dealing in Securities-

From time to time, Employees may become aware of significant information about the Company that generally is not known outside the Company. Buying or selling the Company's shares with awareness of such information may violate the law and expose the Designated Person and the Company to substantial civil and criminal penalties. To prevent the misuse of such information and to avoid even the appearance of improper conduct, all Employees, in addition to complying with all applicable laws, must comply with the Company's Insider Trading Code.

Among other things, the Company's Insider Trading Code prohibits Employees from buying or selling the Company's securities while aware of "material information" about the Company that is not known publicly. The Code broadly defines "material information" to include any information that a reasonable investor likely would consider important in making a decision to buy or sell the Company's securities. In particular, there can be no trading in the Company's shares when the trading window is closed.

D. Intellectual Property-

Among the Company's most valuable assets is its intellectual property. Intellectual property takes different forms, including patents, trade secrets, trademarks, copyrights, scientific, technical and business knowledge, know-how and experience. Examples of intellectual property include applications to regulatory agencies, formulae, data, processes, devices, patterns and drawings, research records, customer and supplier lists and information, legal, marketing, sales and financial analyses and compilations of information, maintained in confidence and used in the Company's operations.

It is the Company's policy to enforce its intellectual property rights in an appropriate manner consistent with the law. It is the duty of all Employees to establish, protect, maintain and defend the Company's rights in its intellectual property and confidential information. This duty extends to protecting such information after Employees leave the Company.

It is also important to the Company that all Employees discuss their ideas, inventions or developments with the Legal Department to determine whether these are patentable or otherwise legally protectable. Employees are required to submit for appropriate legal review Records of Invention concerning new ideas, inventions or developments. Legal review also must be sought when using the Company trademarks, trade names and trade dress, when releasing Company confidential information to persons outside the Company and when transacting business in any way concerning the intellectual property rights of the Company.

In addition, it is the Company's policy to respect the intellectual property rights of others. Unauthorized use of the intellectual property rights of others may expose you and the Company to civil litigation and damages and possible significant fines and criminal penalties. Appropriate legal review must occur prior to any activities that may infringe on another's intellectual property; before soliciting, accepting or using potentially proprietary information of others, including the unsolicited offer of ideas by non-Company personnel; and before selling, buying, licensing or otherwise transacting business concerning intellectual property rights of others.

E. Environmental and Safety Laws-

The Company is committed to a safe environment and sound environmental actions. The Company strives to comply fully with all environmental and safety laws and regulations. All waste products and hazardous materials should be treated, stored, handled and disposed of in full compliance with all laws, regulations and Company practices. The unsafe storage of a potentially toxic or hazardous material or the improper release of any such materials into the environment must be reported

promptly to your supervisor. To identify, control and minimize waste and the use of hazardous materials. To design products that are environmentally sound, conserve natural resources and minimize use of hazardous materials.

F. Food, Drug and Medical Device Laws

Various laws regulate the manufacture, labeling, sale and, in some cases, the promotion of many of the Company's products to assure their safety, efficacy and quality. Violations of these laws can result in severe penalties to the Company and individual employees. The Company expects its Employees to comply fully with such laws. In the event of a question concerning these laws, you should consult with the Medical Department and/or the Law Department.

G. False Reporting to Government Agencies-

It is a crime, subject to fine or imprisonment, to make a false statement to any government agency. The Company's policy is to provide all required disclosure to government agencies and to assure that such information is truthful and accurate. The Company and its Employees must adhere to this policy.

H. Political Contributions-

A Designated Person/employee may contribute directly or indirectly to any political party, candidate or, political action committee, but any such contribution must be made on a personal basis, not on behalf of the Company, and reimbursement must not be sought from the Company, directly or indirectly.

I. Improper Payments in the Public and Private Sectors-

Our laws prohibit bribery of public officials. The Company's policy extends beyond these laws and prohibits making unauthorized concessions or paying confidential commissions and bonuses, bribes or other type of unofficial payment to employees or officials of any government or to any third party in a commercial transaction.

The Company and its Employees also must comply with applicable laws and regulations that prohibit providing remuneration to induce the prescription, purchase or order of Company products that may be subject to reimbursement or payment by a government agency or other third party. It is the Company's policy to market and sell its medical products in compliance with all applicable laws and regulations.

Any person or company that represents the Company (such as a consultant, agent, sales representative, distributor or contractor) must comply with the Company

policies prohibiting improper payments in the public and private sectors. Payments made indirectly through an intermediary, under circumstances indicating that such payments would be passed along for inappropriate purposes, are prohibited.

J. Money Laundering Prevention-

Money laundering is a criminal activity in which the proceeds of a crime are hidden or converted in some way to make them appear legitimate. The Company is committed to complying fully with all applicable anti-money laundering laws. The Company will conduct business only with reputable customers who are involved in legitimate businessactivities and whose funds are derived from legitimate sources. Reasonable steps must be taken to ensure that the Company does not accept forms of payment that are known or suspected as means of laundering money, such as cash payments.

K. Public Disclosures-

All disclosures made by the Company to its stockholders, the Securities and Exchange Board of India, the Stock Exchange or the investment community must be accurate and complete and fairly present the Company's financial condition, results of operations and cash flows in all material respects, and must be made on a timely basis as required by applicable laws and stock exchange requirements. The Company expects its Employees to provide prompt and accurate answers to enquiries relating to its public disclosures and requirements.

L. Internal Controls-

All Employees have a responsibility to be aware of the Company's system of internal controls and the appropriate use and safeguarding of Company assets. Employees must comply with applicable internal controls and assist in taking corrective action in the case of control failures, including identifying procedures not being followed properly as well as weaknesses in the internal control system, and striving for improvements in the internal control system. Examples of internal controls include appropriate authorizations and approvals of expenditures, and this Code of Conduct.

M. Compliance with Code of Conduct

Any Designated Person who knows of or suspects of a violation of applicable laws, rules or regulations or this Code of Conduct, he/she must immediately report the same to the Managing Director. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

This Code may be amended, modified or waived only by the Company's Board of Directors and must be publicly disclosed if required by any applicable law or regulation. As a general policy, the Board will not grant any waivers to this Code.

2. BUSINESS ETHICS POLICY

The goal is to foster standards of conduct to ensure that business decisions are driven by the overall obligation of all Employees to protect the assets of the Company. Business decisions are not to be based on financial or business interests between any employees and third parties. Unauthorized concessions or payments to third parties are strictly prohibited.

A violation of the Company standards also may be a violation of law.

1. I. Conflicts of Interest:

When the Company's Employees, and/or, in some cases, their relatives have significant financial or business interests in another company competing or doing business with the Company, or stand to benefit in some way from such a relationship or activity, their efforts on the Company's behalf could be improperly influenced.

Consequently, all Employees should co-operate in avoiding even the appearance of impropriety. For the purposes of this Code, the spouse, parents, grandparents, children, grand -children and their spouses, siblings, mother-in-law, father-in law, son-in-law, daughters-in-law, sisters-in-law and brothers-in-law of the Employees are included.

The following are some examples (not meant to be all inclusive) of situations in which such outside interests involving the Employees or a relative may lead to conflict with the Company's standards. Because this set of examples is not inclusive, please use good judgment in the spirit of the Code in reviewing situations as they arise:

1. The following are example of the types of activities which, are prohibited for Employees/Designated Persons without the prior written consent of the Managing Director:

a. Holding a significant financial interest in the business of any supplier, competitor or customer of the Company when in a position to influence the relationship between the Company and the supplier, competitor or customer. For the purpose of this Code, a "significant financial interest" means an investment of any amount in any company, the securities of which are not publicly listed or quoted, or an investment in excess of 2% of the paid up capital of any company that is publicly listed or quoted. It also means that borrowing from any such company, except for a personal transaction with a bank or comparable financing organization is not permitted.

a. Serving as a director, advisor, officer, employee or consultant of any of the Company's competitors.

b. Serving in any position of any commercial enterprise or other commercial endeavor that would interfere with the performance of duties to the Company.

c. Accepting or designating the acceptance by someone else, of any gift or entertainment of value in any way connected with the placing of business with or by any of the Company's supplier or customer.

d. Purchasing any materials, equipment, property or services at a cost to the Company in excess of their fair and reasonable value in the free, open and competitive market.

e. Competing with the Company in the purchase or sale of any kind of property, tangible or intangible.

f. Relatives of Employees may not accept from any third party any gift or entertainment of value in any way connected with the placing of business with or by any Company supplier or customer.

2. The following are examples of the types of activities which must be disclosed to the Managing Director for review and response:

b. Service as a Designated Person of any commercial enterprise including, but not limited to, any customer or supplier of the Company and any for-profit organization in the health care field.

c. Service as a director, advisor, officer, employee or consultant of any not-for-profit organization in the health care field.

d. Service as an official, advisor, officer, employee or consultant of any governmental agency, subdivision thereof, or other governmentally-related body in the healthcare field.

e. When the Employees become aware of it, the holding by a relative of a significant financial interest (as defined above) in the business of any supplier, competitor or customer of the Company when the Designated Person is in a position to influence the relationship between the Company and the supplier, competitor or customer.

f. When the Designated Person becomes aware of it, service by relative as a director, advisor, officer, employee or consultant of any Company supplier, competitor or customer when the Designated Person or his/her relative is in a position to influence the relationship between the Company and such supplier, competitor or customer.

Any disclosure shall be considered on a case-by-case basis, and any action deemed necessary or appropriate by the Company will be at the sole discretion of the Company. Independent members of the Company's Board of Directors must, in accordance with Company policy, disclose various potential conflicts of interest, which will be evaluated by the entire Board to determine compliance with applicable laws and stock exchange rules. Directors involved in any conflict or potential conflict situations shall rescue themselves from any discussion or decision relating thereto.

II. Confidential Information **:** The unauthorized disclosure, while a person as a Director or employed by the Company and thereafter, of any of the Company's confidential business information or intellectual property such as financial data, formulae, processes, advertising methods or prospective transactions, to any other person, firm or corporation is prohibited. The use – directly or indirectly – of confidential Company business information, while employed by the Company and thereafter for personal benefit, for the benefit of immediate family members or for the benefit of any other person, firm or corporation is prohibited. The use of such information generally to the possible detriment of the Company also is prohibited. Communication with securities market professionals concerning the Company unless specifically authorized by an Officer to do so is not permitted. In addition to these

obligations of confidentiality, the Designated Person shall be bound by any duties and obligations under any confidentiality agreement or other agreement between the Designated Person and the Company.

2. ***III Industry Standards on Relationships with Medical Professionals and Company Sponsorship of Educational and Scientific Symposia:*** *The Company complies with standards established by industry and professional groups that concern industry relationships with medical professionals and sponsorship of medical education and scientific symposia.*

IV. Advertising and Promotional Standards: It is Company's policy to advertise, promote and label its products in a factual and informative manner. In addition, all such communications must be consistent with applicable governmental regulations. The Company's publicity disseminated advertising and promotional material must accurately and fairly describe the Company's products and not be false, misleading or deceptive. It also is Company policy only to use sales and marketing programs and materials that have been approved in accordance with Company procedures.

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3. Annexure VIII (vi)

Dividend Distribution Policy

1. INTRODUCTION

The Board of Directors (the "Board") of ***Kumar Autocast Limited*** ("Company") understands the importance of shareholders' confidence and trust in the Company. In order to preserve the same with transparency and to ensure that there is no conflict of interest or any apprehension in the minds of its shareholders, the Board of the Company, has adopted the Dividend Distribution Policy ("Policy") and procedures with respect to Dividends declared/ recommended by the Company in accordance with the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

2. BACKGROUND AND APPLICABILITY

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), require the Company to formulate and disclose a Dividend Distribution Policy in the annual report and on the corporate website. The Board of Directors ("Board") of ***Kumar Autocast Limited*** ("Company") has adopted this Dividend Distribution Policy to comply with these requirements.

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

3. PURPOSE

The purpose of this Policy is to facilitate the process of dividend recommendation or declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

Dividend is the payment made by a Company to its shareholders, usually in the form of distribution of its profits. The profits earned by the Company can either be retained in business or used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may choose to retain a part of its profits and distribute the balance among its shareholders as dividend.

The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business. The Board will refer to the Policy while declaring/ recommending dividends on behalf of the Company.

4. AUTHORITY

This Policy has been adopted by the Board of the Company at its Meeting held on February 13, 2021. The Policy shall also be displayed in the Annual Report and also on the website of the Company.

5. FORMS OF DIVIDENDS

- *Interim Dividend*

The interim dividend may be declared by the Board one or more times in the financial year as may be deemed fit.

- *Final Dividend*

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the

payment of final dividend to the shareholders for their approval at the Annual General Meeting of the Company. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

- *Special Dividend*

The Board may declare/recommend special dividend as and when it deems fit.

6. PER SHARE BASIS

The dividend will be declared on per share basis only.

7. STATUTORY AND REGULATORY PARAMETERS

The Company shall declare dividend only after ensuring compliance with the requisite regulations and directions as stipulated under the provisions of the Companies Act, 2013 and rules made thereunder, SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, other SEBI regulations and any other regulations as may be applicable from time to time.

8. FACTORS AFFECTING DIVIDEND DECLARATION:

1. a) External Factors to be considered while recommending/ declaring dividend

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or of its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model;
- Any changes in the competitive environment requiring significant investment.

2. b) Internal Factors to be considered while recommending/ declaring dividend

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include:

- Expected cash requirements of the Company including working capital, capital expenditure
- Quarterly and Annual results
- Investments including Mergers and Acquisitions (M&A)
- Free cash flow generation
- Buy-back of shares
- Funds required to service any outstanding loans;

3. c) Retained Earnings

Retained earnings would be used to further the company's business priorities. If there are excess reserves beyond the medium to long term business requirements, the retained earnings would be distributed to shareholders via Dividends or other means as permitted by applicable regulations.

4. d) Parameters that shall be adopted with regard to various classes of shares

Currently, the Company does not have different classes of shares and follows the 'one share, one vote' principle. If the Company has more than one class of shares in future, dividend for each class would be subject to prescribed statutory guidelines as well as terms of offer of each class to the investors of that class of shares.

9. DECLARATION OF DIVIDEND

Dividend shall be declared or paid only out of –

1) Current financial year's profit:

a. after providing for depreciation in accordance with law;
b. after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion and as per applicable law.

Or

2) The profits for any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed;

Or

3) Out of 1) & 2) both.

In case of inadequacy or absence of profits in any financial year, the Company may also declare/ pay Dividend out of the accumulated profits earned by it in previous years and transferred by the Company to the reserves, provided such declaration/ payment of dividend shall be made only in accordance with the provisions of the Companies Act, 2013 and rules specified therein.

10. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities, government policies & regulations and other relevant factors (as mentioned elsewhere in this policy) and accordingly declare dividend in any financial year.

The shareholders of the Company may not expect dividend under certain circumstances including the following,

- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Significant cash flow requirements towards higher working capital requirements / tax demands / or others , adversely impacting free cash flows;
- An impending / ongoing capital expenditure program or any acquisitions or investment in joint ventures requiring significant allocation of capital;
- Allocation of cash required for buy-back of securities;
- Any of the internal or external factors restraining the Company from considering dividend.

11. UTILIZATION OF RETAINED EARNINGS

Retained earnings shall be utilized in accordance with prevailing regulatory requirements, creating reserves for specific objectives, fortifying the balance sheet against contingencies, generating higher returns for shareholders through reinvestment of profits for future growth and expansion and any other specific purpose as approved by the Board of Directors of the Company. The Company shall endeavor to utilize retained earnings in a manner that shall be beneficial to both, the interests of the Company and its stakeholders.

12. PARAMETERS WITH REGARD TO VARIOUS CLASSES

Presently, the issued and paid-up share capital of the Company comprises of equity shares only. In case, the Company issues other kind of shares, the Board may suitably amend this Policy.

13. CONFLICT IN POLICY

In the event of a conflict between this policy and the existing statutory regulations, the statutory regulations will prevail.

14. REVIEW, AMENDMENT AND DISCLOSURE OF POLICY

This Policy may be reviewed and amended periodically as and when required by the Board to ensure that it meets the objectives of the relevant legislation and needs of the Company and remains effective. The Board has the right to change/ amend the policy as may be expedient taking into account the law for the time being in force.

In the event of any amendment(s), clarification(s), circular(s), provision(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then the same shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly.

The Dividend Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company's website, www.kumarautocast.com.

4. Annexure VIII (vii)

1. POLICY FOR DETERMINING OF MATERIALITY OF EVENTS

2. INTRODUCTION

The Policy is framed by the Board of Directors of Kumar Autocast Limited in line with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'):

- to provide an overall governance framework for determination of materiality of events /information;

- to ensure timely and adequate disclosures of material events / information fully, fairly, correctly and transparently to the Stock Exchange(s), in pursuance with the Listing Regulations, to enable present and potential investors to take informed decision/s with respect to their investment in the Company.

3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

1. The Company shall mandatorily disclose the events / information that are deemed to be material, as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality.

2. The Company shall make disclosure of events specified in Para B of Part A of Schedule III of the Listing Regulations, on a case to case basis, depending on facts and circumstances, based on application of the guidelines for determining materiality, as specified below:
   a) Likely impact of 10% or more on the gross turnover, or revenues or total income as per the last Financial Statements of the Company, or likely impact of 20% or more on the net worth as per the last Financial Statements of the Company; whichever is higher;
   b) the omission of an event or information, which is likely to result in discontinuity or alteration of event / information already available in public domain;
   c) the omission of an event or information is likely to result in significant market reaction, if the said omission came to light at a later date;
   d) any other event / information which, in the opinion of the Board of Directors of the Company, is material and necessary to enable the security holders of the Company to appraise its position and to avoid the establishment of a false market in such securities.

3. The Company shall disclose all events or information with respect to its Subsidiaries, which are material to the Company.

4. Any confidential information which, if disclosed, is likely to put at risk the business interest of the Company, may not be disclosed. The Company shall, to that extent, make qualified disclosure to the stock exchanges.

4. SCOPE OF DISCLOSURES OF EVENTS OR INFORMATION:

1. The Company shall disclose to the stock exchanges of all material events / information, as soon as reasonably possible, but not later than 24 hours of the occurrence of the event / information. In case the disclosure is made after twenty-four (24) hours of occurrence of such event or information the Company shall, along with such disclosure(s) provide an explanation for delay.

2. The Company shall disclose to the stock exchanges of all the events specified in sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations within thirty (30) minutes of the conclusion of the board meeting.

3. The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved / closed.

4. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.

5. All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

5. AUTHORITY TO KEY MANAGERIAL PERSONNEL

The Board of Directors hereby appoint Mr. Ramesh Kumar Sharma Chairman Director, Mr. Arun Kumar Sood Managing Director and Mr. Ajay Kumar Sood Director (hereinafter referred as Designated Officers) as the persons authorized severally to determine:

- the Materiality of any event or information,

- the appropriate time at which disclosure is to be filed with the stock exchanges, and

- details that may be filed with the stock exchanges in the best interest of present and potential investors

6. DISSEMINATION OF POLICY:

This Policy shall be hosted on the website of the Company at www.kumarautocast.com and address of the web-link thereto shall be provided in the Annual Report of the Company.

7. POLICY REVIEW AND AMENDMENTS:

The Board will constantly review, and if found essential, may amend this Policy from time to time, so that the Policy remains compliant with applicable legal requirements.

8. SCOPE AND LIMITATION:

In the event where the terms of this Policy differ from the provisions of any existing or new statutory enactments, Rules, Regulations or standard governing the Company, the provisions of such statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

CFO COMPLIANCE CERTIFICATE

(pursuant to Regulation 17(8) and Schedule II Part B of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Board of directors,
Kumar Autocast Limited
CIN L27101PB1985PLC006100
Regd. Office: - C-179, Focal Point,
Phase VI, Ludhiana-141010, Punjab

In compliance with Regulation 17 (8) read with Schedule II Part B of the SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015 Listing Agreement with the Stock Exchange, I hereby certify that:

A. I have reviewed financial statements and the cash flow statement for the financial year 2022-23 and that to the best of my knowledge and belief:

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 Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates of the Company's code of conduct.

C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

D. I 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 I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Usha Jayaprakash
(Chief financial Officer)

Place: Ludhiana
Date: 07.09.2023

ABHINAV KHANNA & ASSOCIATES
(COMPANY SECRETARIES)

ABHINAV KHANNA
B.COM(H), M.COM, ACS

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,

Kumar Autocast Limited,
C-179, Focal Point, Phase VI,
Ludhiana-141003 PB

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Kumar Autocast Limited** having **CIN: L27101PB1985PLC006100** and having registered office at C-179, Focal Point, Phase VI, Ludhiana-141003 PB, India (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	Designation of director	DIN	Date of Appointment in Company
1	Ashish Sood	Wholetime Director	00672179	01/10/2002
2	Ajay Kumar Sood	Wholetime Director	00685585	01/10/2007
3	Arun Kumar Sood	Managing Director	00685937	01/10/2002
4	Rakesh Dhanda	Director	03496947	05/09/2021
5	Shrey Bhutani	Director	09189242	26/06/2021
6	Ritu Mehra	Director	09445664	30/09/2022

Office No. 306, 3rd Floor, Noble Enclave, Bhai wala chownk, Ferozepur Road, Ludhiana, Punjab IN-141001
Mobile: +91 988888-9186 | Office: 0161-4611799 | E-Mail: csabhinavkhanna@gmail.com

Further, as per the data made available to me and on basis of information and explanation provided to me, I am of opinion that, the Company has proper mix of Executive and Non-executive Directors on Board, None of the Independent Directors have appeared or cleared the Exam required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

Place: Ludhiana
Date: 18.04.2023

For Abhinav Khanna &Associates

Company Secretaries

ACS No. 46944
CP No. 23003

UDIN: A046944E000126276

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab
Email Id: asood@kumarautocast.com; Telephone No: 0161-2671428
CIN: - L27101PB1985PLC006100
www.kumarautocast.com

ATTENDANCE SLIP

Members Folio No :

Client ID No :

DP ID No :

Name of the Member :

Name of the Proxy Holder :

No of Shares held :

I/We record my/our presence at the Annual General Meeting of **KUMAR AUTOCAST LIMITED** being held on **Saturday, 30th day of September, 2023** at **12:30 P.M** at registered office of the Company situated at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab.

(Signature of Member/Proxy)

NOTES:

1. **Shareholder/ Proxy is requested to bring the Attendance Slip duly signed for admission to the meeting hall.**
2. **Physical copy of notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members.**

KUMAR AUTOCAST LIMITED

Regd. Office: - C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab
Email Id: asood@kumarautocast.com; Telephone No: 0161-2671428
CIN: - L27101PB1985PLC006100
www.kumarautocast.com

Form No. MGT-11

Proxy form

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

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client ID	
DP ID	

I/We, being the member (s) of ……. shares of the above named Company, hereby appoint:

1. Name: _____ Address: _____
   Email ID: _____ Signature: _____,or failing him
2. Name: _____ Address: _____
   Email ID: _____ Signature: _____,or failing him
3. Name: _____ Address: _____
   Email ID: _____ Signature: _____,or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company, to be held on the Saturday, 30th day of September, 2023 at 12:30 p.m. at Registered Office of the Company situated at C-179, Focal Point, Phase VI, Ludhiana-141010, Punjab. and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS:-	
Ordinary Business	
1.	**ADOPTION OF STATEMENT OF PROFIT & LOSS, BALANCE SHEET, REPORT OF DIRECTOR'S AND AUDITOR'S FOR THE FINANCIAL YEAR 31ST MARCH, 2023**

2.	**RE-APPOINTMENT OF SH. ASHISH KUMAR SOOD**
3.	**RE-APPOINTMENT OF SH. AJAY KUMAR SOOD**
4.	**RE-APPOINTMENT OF SH. ARUN KUMAR SOOD**

Signed this…… day of…… 2023.

Affix Revenue Stamp of RE 1

Signature of shareholder: _____**Signature of proxy holder(s): _____**

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting

2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder.

3. In case of joint holders, the signature of any holder will be sufficient, but names of all the joint holders should be stated.

4. For the Resolutions, Explanatory Statement and Notes, Please refer to the Notice of the Annual General Meeting.

5. Please complete all details including details of member(s) in above box before submission.

VENUE OF Kumar AUTOCAST LIMITED

VINAY & ASSOCIATES
Chartered Accountants

Office:
18-G, Shaheed Bhagat Singh Nagar,
Pakhowal Road, Ludhiana-141002

Tel.: 0161-4605918
Tel.: 0161-2561533
98140-23203

PAN : AACFV0520C
GST No. : 03AACFV0520C1Z2
E-mail : vinayassociates_ca@yahoo.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
KUMAR AUTOCAST LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of KUMAR AUTOCAST LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2023, and 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 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

VINAY & ASSOCIATES LUDHIANA FRN: 004162N M.N 082969 CHARTERED ACCOUNTANTS

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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

LUDHIANA
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M.N: 082933
CHARTERED ACCOUNTANTS

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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under Section 143(3)(i)of the Act we are also responsible for explaining 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.

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whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely 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.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

VINAY & ASSOCIATES
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i) The Company has disclosed its impact of pending litigations in the financial statements. Refer to Note no. 27 of Notes to Financial statements.

ii) The Company has no long-term contracts including derivative contracts

iii) The company has not paid any dividend during the year and is not required to transfer amounts to the Investor Education and Protection Fund.

iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 27 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 27 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any (c) 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 guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

VINAY & ASSOCIATES CA LUDHIANA FRN: 004462N M.N 082988 CHARTERED ACCOUNTANTS

v) The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

FOR VINAY & ASSOCIATES
Chartered Accountants
Firm Reg No-004462N
Peer Review Cert. No. - 014620

PLACE: LUDHIANA
DATED: 30.05.2023
UDIN: 23082988BGWOGU8979

Vinay Kumar Srivastav
Partner
M.NO. 082988

Annexure-A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2023, we report that:

i) a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company does not have any Intangible Assets;

b) Property, Plant and Equipment have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets and as informed, no material discrepancies were noticed on such verification;

c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year;

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

VINAY & ASSOCIATES CA LUDHIANA FRN: 004402N M.N 082065 CHARTERED ACCOUNTANTS

ii) a) As per the information furnished, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable, and, the coverage and procedure of such verification is appropriate having regard to the size of the Company and the nature of its operation. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed between the physical stock of inventory and the books of accounts.

b) 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. The quarterly returns or statements filed with such banks or financial institutions are in agreement with the books of account of the Company.

iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under clause 3(iii) of CARO 2020 is not applicable;

iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, purchased investment, given guarantees and security which are covered under the provisions of Section 185 and 186 of the Act, therefore no comment is called for;

v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) According to information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company;

VINAY & ASSOCIATES
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vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, excise duty, customs duty, value added tax, cess and other material statutory dues with the appropriate authorities.

There are no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) There are no statutory dues as referred to in sub-clause (a) which have not been deposited on account of a dispute.

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The term loans outstanding at the beginning of the year, and the new term loans raised during the year, were, applied for the purposes for, which, they were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

VINAY & ASSOCIATES CA LUDHIANA FRN: 004463N M.N 082968 CHARTERED ACCOUNTANTS

e) The Company does not have any subsidiary, joint venture or associate companies, hence reporting under clause 3(ix)(e) is not applicable.

f) The Company does not have any subsidiary, joint venture or associate companies, hence reporting under clause 3(ix)(f) is not applicable.

x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi) a) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit;

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

c) No whistle-blower complaints were received during the year by the Company.

xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable;

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards;

VINAY & ASSOCIATES CA LUDHIANA FRN: 004652N M.N 092968 CHARTERED ACCOUNTANTS

xiv) The company is not required to keep an internal audit system given the size and nature of its business and hence reporting under clause 3(xiv) of the Order is not applicable;

xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

xvii) The company does not have any Cash losses during the financial year covered by our audit. The immediately preceding financial year cash loss is as follows:

Financial Year	Loss (Rs. in Lacs)
2021-2022	52.87
2022-2023	NIL

xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3(xviii) of the order is not applicable.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report. The company is 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 future events or conditions that may cause the Company to cease to continue as

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004462N M.N 082983

a going concern. We neither give any guarantee nor any assurance that all the liabilities falling due within a period od one year from balance sheet date, will get discharged by the company as and when they fall due;

xx) The company is not required to spent under CSR activity u/s 135 of Companies Act 2013, hence reporting under clause 3(xx) of the Order is not applicable.;

FOR VINAY & ASSOCIATES
Chartered Accountants
Firm Reg No-004462N
Peer Review Cert No - 014620

PLACE: LUDHIANA
DATED: 30.05.2023
UDIN: 23082988BGWOGU8979

Vinay Kumar Srivastav
Partner
M.NO. 082988

Annexure - B to the Independent Auditors' Report

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 **KUMAR AUTOCAST LIMITED**, ("the Company") as of 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

VIRAT & ASSOCIATES CA LUDHIANA FRN: 004452N M.N 082988 CHARTERED ACCOUNTANTS

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

VINAY & ASSOCIATES
LUDHIANA
FRN: 001452N
M.N 022018
CHARTERED ACCOUNTANTS

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

FOR VINAY & ASSOCIATES
Chartered Accountants
Firm Reg No-004462N
Peer Review Cert No. 014620

PLACE: LUDHIANA
DATED: 30.05.2023
UDIN: 23082988BGWOGU8979

Vinay Kumar Srivastav
Partner
M.NO. 082988

KUMAR AUTOCAST LIMITED
C - 179, Phase-VI, Focal Point, LUDHIANA
BALANCE SHEET AS ON AT 31st MARCH, 2023

[Amount Rs. in lacs]

			AS AT 31.03.2023	AS AT 31.03.2022
I	ASSETS			
(1)	Non Current Assets			
	(a) Property, Plant and Equipment	3	404.54	443.56
	(b) Financial Assets			
	(i) Other Financial Assets	4	72.78	73.24
	(c) Other Non Current Assets			
	(i) Trade Receivables	6	2.79	2.79
			480.11	519.61
(2)	Current Assets			
	(a) Inventories	5	142.90	146.61
	(b) Financial Assets			
	(i) Trade Receivable	6	1,571.03	1,335.10
	(ii) Cash and Cash equivalents	7	231.27	152.96
	(c) Current Tax Assets (Net)	8	2.64	14.65
	(d) Other Current Assets	9	8.33	8.69
			1,956.17	1,658.21
	TOTAL		2,436.28	2,177.82
II	EQUITY & LIABILITIES			
(1)	Equity			
	(a) Equity Share Capital	10	1,037.40	1,037.40
	(b) Other Equity	11	320.22	195.48
			1,357.62	1,232.88
(2)	Liabilities			
	Non Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	8.93	25.62
	(ii) Trade Payables	16		
	(a) Outstanding dues to Micro & Small Enterprises		0.00	0.00
	(b) Outstanding dues to other than Micro & Small Enterprises		0.00	4.40
	(b) Long Term Provisions	13	48.30	18.61
	(c) Deferred Tax Liabilities (Net)	14	18.76	22.40
			75.99	72.03
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	623.56	462.97
	(ii) Trade Payables	16		
	(a) Outstanding dues to Micro & Small Enterprises		115.12	108.36
	(b) Outstanding dues to other than Micro & Small Enterprises		49.20	132.80
	(iii) Other Financial Liabilities	17	169.07	119.17
	(b) Other Current Liabilities	18	36.50	20.87
	(c) Short Term Provision	19	9.22	28.68
			1,002.67	872.85
	TOTAL		2,436.28	2,177.82

As per our report of even date attached
Significant Accounting Policies 2
Notes forming part of Accounts 27

FOR VINAY & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004462N)

Vinay Kumar Srivastava
Partner
MEM NO. 082988

PLACE: LUDHIANA
DATE: 30.05.2023
UDIN: 23082988BGWOGU8579

FOR KUMAR AUTOCAST LIMITED

ARUN KUMAR SOOD
DIRECTOR
DIN: 00685937

AJAY KUMAR SOOD
DIRECTOR
DIN: 00685586

USHA JAYAPRAKSH
CHIEF FINANCIAL OFFICER

PRANAV KHANNA
COMPANY SECRETARY

KUMAR AUTOCAST LIMITED

C - 179, Phase-VI, Focal Point, LUDHIANA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2023

(Amount Rs. in lacs)

		NOTE		Year Ended 31.03.2023		Year Ended 31.03.2022
I	INCOME					
	REVENUE FROM OPERATIONS	20		4734.37		4306.59
	OTHER INCOME	21		10.96		5.83
	TOTAL INCOME (II)			4745.33		4312.42
III	EXPENSES					
	Cost of Materials Consumed	22		3137.46		3009.02
	Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade	23		3.18		10.66
	Employee Benefits Expenses	24		535.15		519.61
	Finance Costs	25		60.30		37.96
	Depreciation and Amortisation Expense	3		51.23		60.00
	Other Expenses	26		834.51		788.02
	TOTAL EXPENSES (IV)			4611.83		4425.29
V	Profit/(loss) before exceptional items and tax from continuing operations (II-IV)			133.50		-112.87
VI	Exceptional Items			-		-
VII	Profit/ (loss) before tax from continuing operations (V-VI)			133.50		-112.87
VIII	TAX EXPENSE :					
	Current Tax		10.66		0.00	
	Earlier Year		0.21		0.04	
			10.87		0.04	
	Deferred Tax		(3.30)	7.57	(2.72)	-2.68
IX	Profit/ (Loss) for the Year from continuing operations (VII-VIII)			126.93		-110.19
X	Other Comprehensive Income					
	(A) Items that will be reclassified to profit or loss					
	Other (specify nature)					
	Income tax effect					
	(B) Items that will not be reclassified to profit or loss					
	Re-measurement (gains)/ losses on defined benefit plans		1.57		(4.33)	
	Income tax effect		(0.40)		1.09	
	Other Comprehensive Income for the year net of Tax			1.16		-3.24
XI	Total Comprehensive Income for the Year (IX+X) (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)			127.11		-113.43
XII	Earnings per equity share of Rs. 10 each					
	(1) Basic			1.21		(1.06)
	(2) Diluted			1.21		(1.06)

As per our report of even date attached
Significant Accounting Policies 2
Notes forming part of Accounts 27

FOR VINAY & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004462N)

Vinay Kumar Srivastav
Partner
MEM NO. 082988

PLACE: LUDHIANA
DATE : 30.05.2023

FOR: KUMAR AUTOCAST LIMITED

ARUN KUMAR SOOD
DIRECTOR
DIN: 00065837

AJAY KUMAR SOOD
DIRECTOR
DIN: 00065585

USHA JAYAPRAKSH
CHIEF FINANCIAL OFFICER

PRANAV KHANNA
COMPANY SECRETARY

KUMAR AUTOCAST LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2023

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

(Amount Rs. in lacs)

		Year Ended 31.03.2023	Year Ended 31.03.2022
(A)	**Cash flows from operating activities**		
	Profit for the year	133.50	(112.87)
	Adjustments for:		
	Depreciation	51.23	60.00
	Interest and finance charges	50.30	37.99
	Interest income	(5.29)	(5.24)
	Remeasurement of actuarial (gain)/loss	(1.57)	4.33
	Operating profit before working capital changes	**228.17**	**(16.79)**
	Adjustments for :		
	(Increase) / decrease in inventories	3.70	(2.26)
	(Increase) / decrease in trade receivables	(235.93)	29.78
	(Increase) / decrease in other financial assets (excluding advance tax)	0.40	3.44
	(Increase) / decrease in other current assets	0.56	14.64
	Increase / (decrease) in trade payables	(81.24)	69.54
	Increase / (decrease) in other current liabilities	(19.46)	(13.32)
	Increase / (decrease) in other financial liabilities and provision (excluding provision for tax)	39.18	(137.69)
	Change in non current assets	**(292.73)**	**(36.07)**
	Cash generated from operations	**(64.56)**	**(51.86)**
	Income tax refund/ (paid)	1.13	(5.82)
	Net Cash flow generated from operating activities	**(63.43)**	**(57.68)**
(B)	**Cash flow from investing activities**		
	Additions to PPE and intangible assets (including movement in CWIP)	(12.18)	(2.70)
	Interest received	5.29	5.24
	Net cash flows (used in) investing activities	**(6.89)**	**2.54**
(C)	**Cash flow from financing activities**		
	(Repayment)/Proceeds from long term borrowings	(17.69)	(79.06)
	Interest and finance charges paid	(50.30)	(37.99)
	Net cash flows (used in)/ generated from financing activities	**(67.99)**	**(117.05)**
	Net change in cash and cash equivalents (A+B+C)	**(138.30)**	**(172.19)**
	Cash and cash equivalents- opening balance	**(221.82)**	(49.63)
	Cash and cash equivalents- closing balance	**(360.12)**	**(221.82)**
	Notes to cash flow statement:		
	Cash and cash equivalents include :		
	Cash on hand	0.65	2.12
	Margin Money Deposit against bank guarantee	34.30	33.76
	Cash credit	(591.39)	(374.77)
	Balances with banks:	196.32	117.08
	Cash and cash equivalents at the end of the year	(360.12)	(221.82)

As per our report of even date attached
FOR VINAY & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004482N)

Vinay Kumar Srivastav
Partner
MEM NO. 082988

PLACE LUDHIANA
DATE 30.05.2023

VINAY & ASSOCIATES LUDHIANA FRN: 004482N M.N 082988 CHARTERED ACCOUNTANTS

FOR KUMAR AUTOCAST LIMITED

ARUN KUMAR SOOD
DIRECTOR
DIN: 00685687

AJAY KUMAR SOOD
DIRECTOR
DIN: 00685685

USHA JAYAPRAKSH
CHIEF FINANCIAL OFFICER

PRANAV KHANNA
COMPANY SECRETARY

KUMAR AUTOCAST LIMITED
C - 179, Phase-VI, Focal Point, LUDHIANA

(Amount Rs. in lacs)

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

EQUITY

(A) Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,037.40	-	-	-	1,037.40

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Balance at the end of the previous reporting period
1,037.40	-	-	-	1,037.40

B. Other Equity

(1) Current reporting period

	Reserves and Surplus				Total
	Capital Reserve	Other Reserves (General Reserve)	Retained Earnings	Other Items of Other Comprehensive Income (Valuation of Gratuity)	
Balance at the beginning of the current reporting period	14.60	113.53	67.35	-	195.47
Total Comprehensive Income for the current year	-	-	-	(1.19)	(1.19)
Transfer to retained earnings	-	-	125.83	-	125.83
Balance at the end of the current reporting period	14.60	113.53	193.28	(1.19)	320.22

(2) Previous reporting period

	Reserves and Surplus				Total
	Capital Reserve	Other Reserves (General Reserve)	Retained Earnings	Other Items of Other Comprehensive Income (Valuation of Gratuity)	
Balance at the beginning of the current reporting period	14.60	113.53	174.30		302.42
Total Comprehensive Income for the current year	-	-	-	3.24	3.24
Transfer to retained earnings	-	-	(110.19)	-	(110.19)
Balance at the end of the current reporting period	14.60	113.53	64.11	3.24	195.47

Note: Remeasurment of defined benefit plans and fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss shall be recognised as a part of retained earnings with separate disclosure of such items along with the relevant amounts in the Notes or shall be shown as a separate column under Reserves and Surplus."

Significant Accounting Policies 2
Notes forming part of Accounts 27

The accompanying notes are integral part of the financial statements.

FOR VINAY & ASSOCIATES
Chartered Accountants
(Firm Registration No. 004462N)

Vinay Kumar Balastav
Partner
MEM NO. 082988

PLACE: LUDHIANA
DATE : 30.05.2023

VINAY & ASSOCIATES
CA
LUDHIANA
FRN: 004462N
M.N 082988
CHARTERED ACCOUNTANTS

KUMAR AUTOCAST LIMITED
C - 179, Phase-VI, Focal Point, LUDHIANA
Analytical Ratios

(Amount Rs. in lacs)

S No.	Name of The Ratio	Formula	Numerator		Denominator		Ratio		% Variance	Reasons for variance more than 25%
			31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022		
a	CURRENT RATIO	CURRENT ASSETS/CURRENT LIABILITIES	1956	1658	1003	873	1.95	1.90	2.62	N.A.
b	DEBT TO EQUITY RATIO	TOTAL DEBT/ SHAREHOLDER'S EQUITY	632	490	1358	1233	0.47	0.40	14.75	N.A.
c	DEBT SERVICE COVERAGE RATIO	PAT+DEP+INTT+LOSS ON SALE OF FIXED ASSETS /INTT+LEASE PAYMENTS+PRINCIPAL REPAYMENTS	224	-18	39	48	5.75	-0.38	106.35	Due to previous year loss
d	RETURN ON EQUITY RATIO	PAT / AVG SHAREHOLDER'S EQUITY	126	-110	1295	1246	0.10	-0.09	188.11	Due to previous year loss
e	INVENTORY TURNOVER RATIO	SALES/AVG. INVENTORY	4734	4307	145	145	32.71	29.80	9.49	N.A.
f	TRADE RECEIVABLES TURNOVER RATIO	NET CREDIT SALE /AVG. TRADE RECEIVABLES	4734	4307	1459	1353	3.25	3.18	2.10	N.A.
g	TRADE PAYABLES TURNOVER RATIO	NET CREDIT PURCHASE /AVG. TRADE PAYABLES	3136	2977	206	211	15.30	14.12	7.71	N.A.
h	NET CAPITAL TURNOVER RATIO	SALES/AVG WORKING CAPITAL	4734	4307	869	855	5.45	5.04	7.45	N.A.
i	NET PROFIT RATIO	PAT/NET SALES	126	-110	4734	4307	0.03	-0.03	196.19	Due to previous year loss

For and on behalf of Board of Directors

ARUN KUMAR SOOD
DIRECTOR
DIN: 00692037

AJAY KUMAR SOOD
DIRECTOR
DIN: 00695565

USHA JAYAPRAKSH
CHIEF FINANCIAL OFFICER

PRANAV KHANNA
COMPANY SECRETARY

PLACE: LUDHIANA
DATE : 30.05.2023

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004462N M.N 082988

KUMAR AUTOCAST LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

1. CORPORATE INFORMATION

Kumar Autocast Limited ('the Company') is a public limited Company domiciled in India and incorporated on January 9, 1985 under the provisions of the Companies Act, 1956 having its registered office C-179, Focal Point, Phase VI, Ludhiana Pb 141010. The Company is listed on Metropolitan Stock Exchange (MSE). The Company is engaged in the manufacturing of General Casting of Steel for Auto Parts. The Company's manufacturing facilities are located at Focal Point, Ludhiana, Punjab. The Financial statements were authorized by the Board of Directors for issue in accordance with resolution passed on 30.05.2023.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPRATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. Financial statements for the year ended 31 March 2023 have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standard) Rules, 2015.The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

i) Defined benefit plans-plan assets are measured using the current value of plan assets and current actuarial assumptions which should reflect the benefits offered under the plan and plan assets before and after the plan amendment, curtailment and settlement.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lacs (INR 00,000), except when otherwise indicated.

2.2 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle

- Held primarily for purpose of trading

- Expected to be realized within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

VINAY & ASSOCIATES CA LUDHIANA FRN: 004462N M.N 082088 CHARTERED ACCOUNTANTS

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle

- It is held primarily for purpose of trading

- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 PROPERTY, PLANT AND EQUIPMENT

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is provided on pro rata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013.

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004462N M.N 082269

2.4 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development cost, are not capitalised and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss in the expense category consistent with the function of the intangible assets. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are disposed of.

Intangible assets with finite useful life are amortised on a straight line basis over their estimated useful life.

2.5 IMPAIRMENT OF NON- FINANCIAL ASSETS

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or 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 available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004452N M.N 082968

inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.6 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)

- Those measured at amortised cost

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Debt instruments at fair value through profit and loss (FVTPL)

- Debt instruments at fair value through other comprehensive income (FVTOCI)

- Debt instruments at amortised cost

- Equity instruments

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortised cost

A Debt instrument is measured at amortised cost if both the following conditions are met:

a) Business Model Test: The objective is to hold the debt instrument to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. 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 on

VINAY & ASSOCIATES
LUDHIANA
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CHARTERED ACCOUNTANTS

acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in finance income in profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

a) Business Model Test: The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.

b) Cash flow characteristics test: The contractual terms of the debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortised cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognised in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and loss.

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004462N M.N 082580

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e, removed from the Company's statement of financial position) 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;

(a) The Company has transferred the rights to receive cash flows from the financial assets or

(b) The Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

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

- Financial assets measured at amortised cost;

- Financial assets measured at fair value through other comprehensive income (FVTOCI);

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

- All lease receivables resulting from the transactions within the scope of IND AS 17

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

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

VINAY & ASSOCIATES
LUDHIANA
FRN: 004482N
M.N 082998
CHARTERED ACCOUNTANTS

subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money, liabilities towards services, sales incentives and other payables.

The measurement of financial liabilities depends on their classification, as described below:

Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

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Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortization.

Derecognition

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 medication is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

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

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.8 INVENTORIES

a) Basis of valuation:

i) Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

ii) Inventory of scrap materials have been valued at net realizable value.

b) Method of Valuation:

i) Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

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ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

iii) Cost of traded goods has been determined by using First in First out (FIFO) method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.9 TAXES

Tax expense for the year comprises of current tax and deferred tax.

a) Current Tax

i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

ii) Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity

b) Deferred Tax

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

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

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

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity).

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Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

2.10 REVENUE RECOGNITION

a) Sale of Goods

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand- alone selling prices. Revenue from sale of by products are included in revenue.

b) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.11 EMPLOYEE BENEFITS

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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(ii) Other long-term employee benefit obligations

a) Gratuity

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Company. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

1. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

2. Net interest expense or income

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

b) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

c) Compensated Absences

Accumulated leave which is expected to be utilised within next 12 months is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement and is discharge by the year end.

2.12 GOVERNMENT GRANTS

Government Grants, if any are recognised at their fair value when there is reasonable assurance that the grant will be received, and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

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When the Company receives grants of non-monetary assets, the asset and grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

2.13 SEGMENT ACCOUNTING:

The company has only single segment of business. Hence segment accounting is not required.

2.14 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares

2.15 BORROWING COSTS

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

2.16 EXCEPTIONAL ITEMS

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments of subsidiaries, associate and joint ventures and impairment losses/write down in the value of investment in subsidiaries, associates and joint ventures and significant disposal of fixed assets.

2.17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

2.18 PROVISIONS AND CONTINGENT LIABILITIES

Provisions

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

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amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

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

2.19 FAIR VALUE MEASUREMENT

The Company measures financial instruments at fair value at each balance sheet date.

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

(i) In the principal market for asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

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

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NOTE-2 Property Plant and Equipment

DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK		% CHANGE IN GROSS AND NET CARRYING VALUE
	As At 01.04.2022	Additions During the Period	Adjustment during the year	Sale/Discarded During the Period	As At 31.03.2023	As At 01.04.2022	For the Period	Adjustment during the Period	Written Back during the Period	As at 31.03.2023	As At 31.03.2023	As At 31.03.2022	
Tangible Assets													
BUILDING	2.01	-	-	-	2.01	1.36	0.02	-	-	1.40	1.22	1.24	53.46
CARS	121.94	-	-	-	121.94	94.26	10.17	-	-	94.44	27.50	27.68	77.46
COMPUTER	3.27	-	-	-	3.27	1.06	0.02	-	-	1.08	2.19	2.21	66.71
CYCLES	0.03	-	-	-	0.03	0.01	-	-	-	0.01	0.01	0.01	40.43
FIRE EXTINGUISHER	0.05	-	-	-	0.05	0.02	0.00	-	-	0.02	0.03	0.03	35.17
FURNITURE & FIX	3.04	0.38	-	-	3.42	1.24	0.23	-	-	1.48	1.94	1.80	44.97
GENERATOR	2.15	-	-	-	2.15	0.37	0.14	-	-	0.51	1.64	1.78	19.00
LAND	4.28	-	-	-	4.28	-	-	-	-	-	4.28	4.28	-
PLANT & MACHINERY	580.43	11.80	-	-	592.43	207.26	37.96	-	-	245.22	347.21	373.17	40.71
SCOOTER & MOTOR CYCLE	2.42	-	-	-	2.42	1.06	0.26	-	-	1.32	1.10	1.36	38.30
TEMPO	0.13	-	-	-	0.13	-	-	-	-	-	0.13	0.13	-
TRACTOR WITH TROLLY	3.93	-	-	-	3.93	3.45	-	-	-	3.45	0.48	0.48	87.81
TRUCK	12.47	-	-	-	12.47	2.55	1.44	-	-	3.99	8.48	9.92	34.74
Sub-total (A)	747.34	12.18	-	-	759.52	314.37	51.21	-	-	365.57	404.34	432.97	
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-total (B)	-	-	-	-	-	-	-	-	-	-	-	-	
Total (A+B)	747.34	12.18	-	-	759.52	314.37	51.21	-	-	365.57	404.34	432.97	
Total (Previous Year)	745.57	2.77	-	-	747.34	263.21	51.16	-	-	314.37	432.97	482.36	

Note :

1. Borrowing cost capitalised during the year Rs Nil. (P. Y. Rs "NIL")

DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK		% CHANGE IN GROSS AND NET CARRYING VALUE
	As At 01.04.2021	Additions During the Period	Adjustment during the year	Sale/Discarded During the Period	As At 31.03.2022	As At 01.04.2021	For the Period	Adjustment during the Period	Written Back during the Period	As at 31.03.2022	As At 31.03.2022	As At 31.03.2021	
Tangible Assets													
BUILDING	2.01	-	-	-	2.01	1.36	0.02	-	-	1.38	0.24	0.66	32.72
CARS	121.94	-	-	-	121.94	80.44	13.82	-	-	94.26	27.68	41.50	99.70
COMPUTER	3.27	-	-	-	3.27	1.06	0.00	-	-	1.06	2.21	2.21	60.00
CYCLES	0.03	-	-	-	0.03	0.01	-	-	-	0.01	0.01	0.01	48.42
FIRE EXTINGUISHER	0.05	-	-	-	0.05	0.02	0.00	-	-	0.02	0.03	0.03	26.88
FURNITURE & FIX	3.05	0.18	-	-	3.04	1.01	0.23	-	-	1.24	1.80	1.84	43.82
GENERATOR	2.15	-	-	-	2.15	0.34	0.14	-	-	0.37	1.78	2.01	12.67
LAND	4.28	-	-	-	4.28	-	-	-	-	-	4.28	4.28	-
PLANT & MACHINERY	566.52	2.91	-	-	569.43	166.17	41.09	-	-	207.26	362.17	400.35	33.43
SCOOTER & MOTOR CYCLE	2.42	-	-	-	2.42	0.90	0.26	-	-	1.06	1.36	1.52	44.22
TEMPO	0.13	-	-	-	0.13	-	-	-	-	-	0.13	0.13	-
TRACTOR WITH TROLLY	3.93	-	-	-	3.93	3.45	-	-	-	3.45	0.48	0.48	87.81
TRUCK	12.47	-	-	-	12.47	1.11	1.44	-	-	2.55	9.92	11.02	33.18
	745.37	2.77	-	-	747.34	263.21	56.81	-	-	314.37	432.97	482.16	
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	
Sub-Total (B)	-	-	-	-	-	-	-	-	-	-	-	-	
Total (A+B)	745.37	2.77	-	-	747.34	263.21	56.81	-	-	314.37	432.97	482.16	
Total (Previous Year)	673.70	82.80	-	10.80	745.37	199.21	64.14	-	0.80	263.21	482.16	474.49	

Note :

1. Borrowing cost capitalised during the year Rs Nil. (P. Y. Rs "NIL")

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTES TO ACCOUNTS

(Amount Rs. in lacs)

	AS AT 31.03.2023	AS AT 31.03.2022
NOTE - 4 OTHER FINANCIAL ASSETS		
Security Deposits	71.74	71.74
Licence fees PPCB	1.04	1.50
	72.78	**73.24**
NOTE - 5 INVENTORIES		
Raw Material	54.81	55.34
Finished Goods	21.25	32.68
Stores & Spares	6.65	11.06
Others Material	60.19	47.53
	142.90	**146.61**

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NOTES TO ACCOUNTS (Amount Rs. In lacs)

NOTE - 6 TRADE RECEIVABLE		
Unsecured		
Trade receivable from Related parties - Considered Good	1,147.40	1,067.98
Trade receivable - Considered Good	426.42	269.91
Trade Receivables - which have significant increase in credit risk	-	-
	1,573.82	**1,337.89**
Less: Allowance for Bad and Doubtful Debts	-	-
	1,573.82	**1,337.89**

Trade Receivables ageing schedule (Current Year)

	Particulars	Less than 6 months	6 mths -1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	Total
(i)	Undisputed Trade receivables – considered good	1,571.03	-	-	-	-	1,571.03
(ii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	2.79	2.79
(iii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	2.79

Trade Receivables ageing schedule (Previous Year)

	Particulars	Less than 6 months	6 mths -1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	Total
(i)	Undisputed Trade receivables – considered good	1,335.10	-	-	-	-	1,335.10
(ii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	2.79	2.79

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NOTES TO ACCOUNTS (Amount Rs. in lacs)

NOTE - 7 CASH & BANK BALANCE		
Cash and Cash Equivalents		
Cash on Hand	0.65	2.12
Balances with Scheduled Banks		
In Current Account	**196.32**	**117.06**
ICICI Bank Ltd. (C/A-12454)	1.46	1.09
ICICI Bank Ltd. (C/A-4052)	-	0.25
Cheques deposited but not cleared	194.86	115.74
Margin Money Deposit against bank guarantee	34.30	33.76
Total	**231.27**	**152.96**
NOTE - 8 CURRENT TAX ASSETS (NET)		
Advance Payment of Tax	2.64	14.65
	2.64	**14.65**
NOTE - 9 OTHER CURRENT ASSETS		
Other Advances		
Advances for Material & Services	4.67	4.40
Others		
Prepaid expenses	1.14	2.18
Prepaid Insurance	1.91	1.45
HP CNG PREPAID CARD	0.12	0.07
Balances with Statutory/Government Authorities		
GST on Audit Fees Recoverable	0.39	0.67
Paytm/NHAI Fastag	0.10	0.22
	8.33	**8.99**
	8.33	**8.99**

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTES TO ACCOUNTS (Amount Rs. in lacs)

		AS AT 31.03.2023		AS AT 31.03.2022
NOTE : 10 SHARE CAPITAL				
Authorised				
105,00,000 (Previous Year - 2022 : 105,00,000)				
Equity Shares of Rs 10/- each		1,050.00		1,050.00
		1,050.00		1,050.00
Issued, Subscribed & Paid Up				
10,37,400* (Previous Year - 2022 : 10,37,400)				
Equity Shares of Rs 10/- each Fully Paid up		1,037.40		1,037.40
*Includes 412,000 Bonus Shares		1,037.40		1,037.40
Note : 10.1 Details of Shareholders holding more than 5% shares in the Company (Equity Shares of Rs 10 each fully paid	No. of shares	% Holding in the class	No. of shares	% Holding in the class
1 Sh. Arun Kumar Sood	3525400	33.99%	3525400	33.99%
2 Sh. Ajay Kumar Sood	1352200	13.04%	1352200	13.04%
3 Sh. Ashish Kumar Sood	1640100	15.81%	1640100	15.81%
4 Smt. Shama Sood	664100	6.40%	664100	6.40%
Note : 10.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting year				
Equity Shares	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	1,03,74,000.00	1,037.40	1,03,74,000.00	1,037.40
Add: Equity shares issued/cancelled during the year	-	-	-	-
Less: Equity shares issued/cancelled during the year	-	-	-	-
	1,03,74,000.00	1,037.40	1,03,74,000.00	1,037.40

Note 10.3 Terms/Rights attached to Equity Shares

The Company has only Equity Share Capital as both no Preference Shares are subscribed and Paid up. There are partly paid up Equity Shares issued. Capital has equal right of all shareholders including distribution of dividend and repayment of capital. No part of the share of the company held by any holding company or its ultimate holding company including subsidiaries or associates thereof.

Note 10.4 Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet

	No. of Shares	
	As at 31.03.2023	As at 31.03.2022
f Equity shares allotted as fully paid up pursuant to contracts for consideration other than cash	-	-
g Equity shares allotted as fully paid up bonus shares by capitalisation of securities premium account, surplus reserve and general reserve	-	-
g Equity shares issued under the Employee Stock Option Plan/ Employee Stock Purchase Plan as part consideration for services rendered by employees	-	-
Total	-	-

Note 10.5 Promoter Details

Equity Shares held by promoters at the end of the year

Sr. No.	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	ARUN KUMAR SOOD	3,525,400	33.99	-
2	ASHISH SOOD	1,640,100	15.81	-
3	AJAY KUMAR SOOD	1,352,200	13.04	-
4	SHAMA SOOD	585,100	5.64	-
5	SEEMA SOOD	426,300	4.09	-
6	NIRA SOOD	2,400	0.02	-
	TOTAL	7,531,500.00	72.60	-

NOTE : 11 OTHER EQUITY		As at 31.03.2023		As at 31.03.2022
(i) Reserve & Surplus				
(a) Capital Reserve		34.00		34.00
(b) General Reserve				
As Per Last Balance Sheet		113.53		113.53
(c) Retained Earning				
As Per Last Balance Sheet	87.35		104.39	
(Add)/ Less: Profit for the current year	125.93		(118.59)	
Less: Bonus Share Added during the year	-		-	
Less: Tax on Proposed Preference dividend	-	213.28	-	85.11
Other Comprehensive Income				
(d) Remeasurement of Defined benefit plan				
Re-measurement gained losses on defined benefit plans	(1.18)		3.24	
Closing Balance		(1.18)		3.24
		325.10		235.88

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004482N M.N 082585

[illegible] AUTOCRAFT LIMITED

[illegible] PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, [illegible]

NOTES TO ACCOUNTS (Amount Rs. in lac)

			As at 31.03.2023		As at 31.03.2022
NOTE -	**10 LONG TERM BORROWINGS**				
	SECURED LOANS				
	Term Loans From Banks				
	Rupee Loans				
	a) Vehicle Loan				
	From HDFC Bank		-		3.32
	Repayment of Rs. 30000/- Due date of last payment is 01.12.2023, secured against Truck purchased				
	From Kotak Mahindra Prime Ltd				
	Repayment of Rs. 47389/- Due date of last payment is 01.02.2023, secured against car purchased		-		0.68
	b) Plant & Machinery				
	From SIDBI		0.63		20.21
	Loan a/c 0060[illegible]: Principal amount of Rs. 1[illegible] loan repayable by [illegible] 2023				
	Loan a/c 0060[illegible]: Principal amount of Rs. [illegible] loan repayable by [illegible] 2025				
	Loan a/c 0060[illegible]: Principal amount of Rs. [illegible] loan repayable by [illegible] 2025				
	(Loans are secured against Plant & Machinery)				
			0.63		[illegible]
			0.63		[illegible]
NOTE -	**11 LONG TERM PROVISIONS**				
	Provisions for Employee Benefits				
	Provision for Gratuity		[illegible]		[illegible]
			[illegible]		[illegible]
NOTE -	**12 DEFERRED TAX LIABILITIES (NET)**				
	Income Tax expense in statement of profit and loss comprises:				
	Current Income Tax Charge		[illegible]		
	Adjustment of Tax relating to earlier years		0.21		[illegible]
	Deferred Tax				
	Relating to Origination and reversal of Temporary differences				
	Income Tax expense reported in the statement of Profit or Loss		[illegible]		[illegible]
	Other Comprehensive Income				
	Re measurement Gains/(losses) on defined benefit plans		[illegible]		[illegible]
	Income Tax related items recognised in OCI during the year		[illegible]		[illegible]
	Reconciliation of Tax expense and the accounting profit multiplied by Indian domestic tax rate:				
	Accounting Profit Before Tax		[illegible]		[illegible]
	Applicable Tax rate		[illegible]		[illegible]
			[illegible]		[illegible]
	Difference in Tax rate				
			[illegible]		[illegible]
				Movement in Profit and Loss	
	Deferred Liabilities Comprises of :	As at 31-03-2023	As at 31-03-2022	Year ended March 31,2023	Year ended March 31,2022
	Accelerated Depreciation for Tax purposes	[illegible]	[illegible]	[illegible]	[illegible]
	Expenses allowable on Payment basis	[illegible]	[illegible]	[illegible]	[illegible]
	Others	-	-	-	[illegible]
		[illegible]	[illegible]	[illegible]	[illegible]
	Reconciliation of Deferred Tax Liability (Net)				
	Opening Balance	[illegible]		[illegible]	
	Deferred Tax Charge / (credit) during the year	[illegible]		[illegible]	
	Deferred Tax credited during the year	-		-	
	Closing Balance	[illegible]	[illegible]	[illegible]	[illegible]
			[illegible]		[illegible]
NOTE -	**13 SHORT TERM BORROWINGS**				
	Credit Card Balances				
	HDFC Bank Credit Card	[illegible]		[illegible]	
	American Express Corporate Card	[illegible]		[illegible]	
	Axis Bank Credit Card	[illegible]	[illegible]	[illegible]	[illegible]
	SECURED LOANS (WORKING CAPITAL)				
	From Banks				
	Cash Credit - ICICI Bank a/c		[illegible]		[illegible]
	Current Maturities of Long Term Debt				
	From HDFC Bank Vehicle Loan	[illegible]		[illegible]	
	From Kotak Mahindra Prime Ltd (Vehicle) Loan	-		[illegible]	
	From SIDBI	[illegible]		[illegible]	
			[illegible]		[illegible]
			[illegible]		[illegible]

Note:

Security:

1) The Cash Credit limit is availed from ICICI Bank Ltd is fully secured by hypothecation of the company's entire stock of Raw Materials, work in process and finished goods, consumable stores and [illegible]

2) The working capital facility availed by Equitable mortgage on a free and marketable property belonging to company at P- 115, Focal point, Khasra no.

Guarantee:

1) Cash Credit limit is secured by personal guarantee of Mr. Arjun Kumar (Director), Mr. Arun Kumar (Director) & Mr. Ashish Gupta (Director)

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KUMAR AUTOCAST LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTES TO ACCOUNTS

(Amount Rs. in lacs)

		AS AT 31.03.2023	AS AT 31.03.2022
NOTE -	18 TRADE PAYABLE		
	Outstanding dues to Micro & Small Enterprises	115.12	108.36
	Outstanding dues to other than Outstanding dues to other than Micro &	49.20	137.20
		164.32	245.56

- Trade Payable Ageing Schedule (Current Year)

Particulars	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	Total
i)MSME	115.12	-	-	-	115.12
ii)Others	49.20	-	-	-	49.20

- Trade Payable Ageing Schedule (Previous Year)

Particulars	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	Total
i)MSME	108.36				108.36
ii)Others	132.80			4.40	137.20

Note:
The amount due to Micro and Small Enterprises as defined in the " The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2023 are as under :

(i) The principal amount remaining unpaid to supplier as at the end of the year	115.12	108.36
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) 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 this Act	-	-
(iv) The amount of interest accrued during the year and remaining unpaid at the end of	-	-
	115.12	108.36

Note:
1) Trade payable include due to related parties NIL (March 31,2022 NIL)
2) Trade payables are unsecured and are usually paid within 30 to 90 days
3) Trade payable are non interest bearing.

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KUMAR AUTOCAST LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTES TO ACCOUNTS

(Amount Rs. in lacs)

	AS AT 31.03.2023	AS AT 31.03.2022
NOTE - 17 OTHER FINANCIAL LIABILITIES		
Other Payable	**169.07**	**119.17**
Sundry Payables	**83.51**	**38.59**
Audit Fee Payable	1.73	0.00
Statutory Audit Fee Payable	0.00	0.44
Electricity Exp. Payable	54.78	12.73
Expenses Payable	0.00	1.93
Interest accrued but not due	4.57	0.30
Insurance Fund Payable	0.02	0.03
Cheques issued but not yet cleared	22.17	22.89
Security Deposit Receipt	0.15	0.15
Telephone Exp. Payable	0.09	0.12
Employee Benefits Payable	**85.56**	**80.58**
Director remuneration Payable	20.15	19.03
Bonus Payable	17.32	16.85
Leave with wages Payable	15.01	14.73
Wages & Salary Payable	33.08	29.97
	169.07	119.17
NOTE - 18 OTHER CURRENT LIABILITIES		
ADVANCES FROM CUSTOMERS	0.00	0.00
Statutory Dues Payable	**36.50**	**20.87**
E.S.I. Payable	1.07	1.06
Pension Fund Payable	0.30	0.38
Provident Fund Payable	0.72	0.88
Professional Tax	0.16	0.06
GST payable	29.54	14.52
TDS Payable	4.34	3.57
TCS Payable	0.00	0.01
Punjab Labour Welfare Fund Payable	0.37	0.39
	36.50	20.87
NOTE- 19 SHORT TERM PROVISION		
Actuial Value of Gratuity Liability	8.22	28.68
	8.22	**28.68**

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004462N M.N 082598

KUMAR AUTOCAST LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTES TO ACCOUNTS (Amount Rs. in lacs)

	Year Ended 31.03.2023	Year Ended 31.03.2022
NOTE - 20 REVENUE FROM OPERATIONS		
Sales	4734.37	4306.59
Gross Revenue from Operations	**4734.37**	**4306.59**
NOTE - 21 OTHER INCOME		
Interest Income	5.29	5.24
Sundry Balance W/OFF	5.67	0.00
Cash Discount	0.00	0.59
	10.96	**5.83**
NOTE - 22 COST OF RAW MATERIAL CONSUMED		
Raw Material Consumed	3137.46	3009.02
	3137.46	3009.02
NOTE - 23 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE		
Opening Stock		
Finished Goods	32.68	55.48
Others Materials	58.59	46.44
	91.28	**101.92**
Closing Stock		
Finished Goods	21.25	32.68
Others Materials	66.85	58.59
	88.10	**91.27**
Net	**3.18**	**10.65**

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004462N M.N 082988

KUMAR AUTOCAST LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

NOTES TO ACCOUNTS

(Amount Rs. in lacs)

	Year Ended 31.03.2023	Year Ended 31.03.2022
NOTE - 24 EMPLOYEES BENEFITS EXPENSES		
Salary, Wages & Bonus	496.38	479.42
Gratuity Expenses	11.73	10.65
Contribution to PF & Other Funds	17.93	21.24
Staff Welfare Expenses	9.11	8.30
	535.15	**519.61**
NOTE - 25 FINANCE COSTS		
Interest Expenses	47.18	32.33
Other Borrowing Costs	3.12	5.66
	50.30	**37.99**
NOTE - 26 OTHER EXPENSES		
Auditors Remuneration	1.60	0.68
Commission	0.00	26.94
Director's Remuneration	130.50	126.00
Electricity Expense	560.32	532.83
Freight (Outward)	0.75	11.21
Insurance Exp.	2.77	3.31
Legal & Professional Charges	7.57	8.60
Listing Fee Expenses	0.55	0.55
Machinery Repair	25.80	21.03
Medical expense	6.37	4.56
Misc. Expenses	17.04	16.80
Rebate & Discount	50.57	0.14
Rent Rates & Taxes	9.66	7.06
Repair & Maint.	16.37	20.46
ROC Charges	0.00	0.01
Sundry Balances w/off	0.00	1.90
Testing Charges	0.16	0.47
Travelling & Conveyance (Others)	2.62	2.07
Vehicle Expenses	1.85	3.40
TOTAL	**834.81**	**788.03**

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KUMAR AUTOCAST LIMITED, LUDHIANA.

NOTES TO FINANCIAL STATEMENTS

Note No. 27

26.1 COMMITMENTS AND CONTINGENCIES:

A) Contingent liabilities (to the extent not provided for) **(Amount Rs in Lacs)**

Particulars	As at 31.03.2023	As at 31.03.2022
Liability towards Bank against Bank Guarantee availed	NIL	246.85*
Others	-	-
Total	NIL	246.85

*Bank Guarantee given by the company are NIL (31.03.2022 to Environmental engineer Punjab Pollution Control Board, Ludhiana of Rs.1 Lakh and Modern Coach Factory Raebareli Rs. 245.85 lacs).

B) Commitments: NIL

C) Undrawn Committed borrowing facility:
The Company has availed working capital limits amounting to Rs 1,000 lacs (March 31, 2022 Rs 1,000 Lacs) from ICICI Bank, amount of Rs. 408.61 lacs (March 31, 2022 Rs 625.23 Lacs) remain undrawn as at March 31, 2023.

D) Other Litigation: NIL
E) Leases: NIL
F) Contingent Asset: NIL

26.2 Disclosures pursuant to Ind AS-19 "Employee Benefits" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below:

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:
(Rs in Lacs)

Particulars	Year ended March 31, 2023	Year ended March 31,2022
Employer's Contribution towards Provident Fund (PF)	2.60	3.68
Leave encashment	17.75	17.82
Employer's Contribution towards Employee State Insurance (ESI)	10.98	10.79
Pension Fund	3.49	5.74

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN. 004462N M.N 082968

Defined Benefit Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the Company itself. Under the gratuity plan, every employee who has completed at least five years of service usually gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Year ended March 31, 2023	Year ended March 31, 2022
Present value obligation as at beginning of the year	47.29	47.11
Interest cost	3.31	2.98
Current Service Cost	8.42	7.66
Benefits paid	(3.06)	(6.14)
Remeasurement of (Gain)/Loss		
- Experience Adjustment	(0.93)	(2.23)
- Difference in Present Value of Obligation	2.50	(2.09)
Present value of obligation as at close of the year	57.53	47.29

b) Reconciliation of opening and closing balances of fair value of plan assets

	Year ended March 31, 2023	Year ended March 31, 2022
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Employer contribution	-	-
Remeasurement of (Gain)/loss in other comprehensive income	-	-
Return on plan assets excluding interest income	-	-
Benefits paid	-	-
Fair value of plan assets at year end	-	-

c) Net defined benefit asset/ (liability) recognised in the balance sheet

	Year ended March 31, 2023	Year ended March 31, 2022
Fair value of plan assets	-	-
Present value of defined benefit obligation	57.53	47.29
Amount recognised in Balance Sheet- Asset / (Liability)	(57.53)	(47.29)

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d) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)

	Year ended March 31, 2023	Year ended March 31, 2022
Current Service Cost	8.42	7.66
Net Interest Cost	3.31	2.98
Net defined benefit expense debited to statement of profit and loss	11.73	10.64

e) Remeasurement (gain)/ loss recognised in other comprehensive income

	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurement of (Gain)/Loss		
- Experience Adjustment	(0.93)	(2.23)
- Difference in Present Value of Obligation	2.50	(2.10)
Recognised in other comprehensive income	1.57	(4.33)

f) Principal assumptions used in determining defined benefit obligation

	Year ended March 31, 2023	Year ended March 31, 2022
Mortality Table	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
Imputed rate of Interest (D)	7.37% p.a.	7.24% p.a.
Imputed rate of Interest (IC)	7.24% p.a.	6.76% p.a.
Salary Escalation	7.00% p.a.	5.00% p.a.
Attrition Rate	0/20/60.00% p.a.	0/20/60.00% p.a.

g) Quantitative sensitivity analysis for significant assumptions is as below

	Year ended March 31, 2023	Year ended March 31, 2022
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
Discount Rate		
Increase by 1%	(1.28)	(0.59)
Decrease by 1%	1.34	0.62
Salary Increase		
Increase by 1%	2.78	0.63
Decrease by 1%	(1.35)	(0.61)
Attrition Rate		
Increase by 1%	(0.06)	(0.01)
Decrease by 1%	0.06	0.01
i) Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	9.39	30.26
Between 2 and 5 years	54.47	18.82
Between 5 and 10 years	2.81	1.95

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1. The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.
2. Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
3. The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

26.3 Segment Reporting

The Company has one Operating segment as identified by the Chief decision maker of the company in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). Therefore, no additional disclosure is required to be given.

26.4 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) Details of Related Parties:

Sr. No	Particulars	Name of Related Parties
1	Enterprises in which directors are interested	**1. Kumar Exports** **2. Kumar Export Industries Pvt. Ltd.**
2	Key Management Personnel	**1. Sh. Arun Kumar Sood (Managing Director)** **2. Sh. Ajay Kumar Sood (Director)** **3. Sh. Ashish Kumar Sood (Director)** **4. Sh. Shrey Bhutani (Independent Director)** **5. Sh. Rakesh Dhanda (Independent Director)** **6. Smt. Ritu Mehra (Woman Director)** **7. Sh. Pranav Khanna (Company Secretary)** **8. Smt. Usha Jayaprakash (Chief Financial Officer)**

VINAY & ASSOCIATES CHARTERED ACCOUNTANTS LUDHIANA FRN: 004482N M.N 012608

b) Transactions with the Related Parties: **(Rs. in Lacs)**

Nature of Transactions during the year	Enterprises in which directors are interested		Key Management Personnel	
	2022-23	2021-22	2022-23	2021-22
Purchases/Labour Job from Kumar Exports	48.59	369.50	---	
Sales to Kumar Exports	2883.11	2299.86	---	
Remuneration				
Ashish Kumar Sood	---	---	45.17	42.00
Ajay Kumar Sood	---	---	45.17	42.00
Arun Kumar Sood	---	---	45.17	42.00
Pranav Khanna	---	---	2.35	2.35
Usha Jayaprakash (Current CFO)			5.50	5.41
Medical Reimbursement				
Ashish Kumar Sood	---	---	1.08	0.51
Ajay Kumar Sood	---	---	2.89	3.24
Arun Kumar Sood	---	---	2.40	0.82
Amount Receivable				
Kumar Exports	1147.40	1067.98	---	---
Amount Payable				
Kumar Exports	---	---	---	---
Ashish Kumar Sood	---	---	8.39	6.51
Ajay Kumar Sood	---	---	8.39	6.43
Arun Kumar Sood	---	---	8.39	6.09
Pranav Khanna			0.37	0.37
Usha Jayaprakash			0.64	0.66

26.5 Corporate Social Responsibility

The provisions of section 135 of Companies Act, 2013 are not applicable on company. Therefore, no disclosure is required to be made under this clause.

26.6 Fair Value Measurements

Set out below, is the comparison by class of the carrying amounts and fair value of the Company's Financial Instruments, other than those with carrying amounts that are reasonable approximations of fair values:

VIJAY & ASSOCIATES CA LUDHIANA FRN: 004462N M.N 082988 CHARTERED ACCOUNTANTS

Financial Instruments by category	Carrying Value		Fair Value	
	As at March 31,2023	As at March 31,2022	As at March 31,2023	As at March 31,2022
Financial Assets at amortised cost				
Other Financial Assets (Non-Current)	72.78	73.24	72.78	73.24
Trade Receivables (Current and Non-current)	1573.82	1337.89	1573.82	1337.89
Cash & Cash Equivalents	231.27	152.96	231.27	152.96
Financial Liabilities at amortised cost				
Borrowings	632.49	489.59	623.56	489.59
Trade Payables	164.32	245.56	164.32	245.56
Other Financial Liabilities (current)	169.07	119.17	169.07	119.17

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings and loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, and individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023, are as shown below.

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Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Quantitative disclosures of fair value measurement hierarchy as on March 31st 2023

	Carrying Value	Fair Value		
	March 31 2023	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Other Financial Assets (Non-Current)	72.78	-	-	72.78
Trade Receivables	1573.82	-	-	1573.82
Cash & Cash Equivalents	231.27	-	-	231.27
Financial Liabilities at amortised cost		-	-	
Borrowings	632.49	-	-	632.49
Trade Payables	164.32	-	-	164.32
Other Financial Liabilities (current)	169.07	-	-	169.07

Quantitative disclosures of fair value measurement hierarchy as on March 31st, 2022

	Carrying Value	Fair Value		
	March 31,2022	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Other Financial Assets (Non-Current)	73.24	-	-	73.24
Trade Receivables	1337.89	-	-	1337.89
Cash & Cash Equivalents	152.96	-	-	152.96
Financial Liabilities at amortised cost		-	-	
Borrowings	489.59	-	-	489.59
Trade Payables	245.56	-	-	245.56
Other Financial Liabilities (Current)	119.17	-	-	119.17

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26.7 Earnings per share

Amount Rs in lacs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Basic Earnings per share		
Numerator for earnings per share		
- Profit after taxation	125.93	-110.19
Denominator for earnings per share		
- Weighted number of equity shares outstanding (Nos. in lacs) during the year	103.74	103.74
Earnings per share-Basic (one equity share of Rs 10/- each) (Amount in Rs)	**1.21**	**(1.06)**
Diluted Earnings per share		
Numerator for earnings per share		
- Profit after taxation	125.93	-110.19
Denominator for earnings per share		
- Weighted number of equity shares outstanding (Nos. in lacs) during the year	103.74	103.74
Earnings per share-Diluted (one equity share of Rs 10/- each) (Amount in Rs)	**1.21**	**(1.06)**

26.8 Capital Management

For the purposes 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 maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 15 to 35%.

Particulars	March 31,2023	March 31,2022
Loans and borrowings (Net of Cash and Cash Equivalents)	401.22	336.63
Net Debt	**401.22**	**336.63**
Equity	1357.62	1232.88
Total Capital	**1357.62**	**1232.88**
Capital and Net Debt	**1758.84**	**1569.51**
Gearing ratio (Net Debt/Capital and Net Debt)	**22.81%**	**21.45%**

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26.9 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31 2023. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023.

(b) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligation at floating interest rates. The Company's Term loan outstanding as at March 31, 2023 comprise of fixed rate loans and accordingly, are not expose to risk of fluctuation in market interest rate.

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(c) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade Receivables

Customer credit risk is managed by the company based on its established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally reviewed regularly by the management of the company.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low.

(ii) **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the policy.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023 is the carrying amounts. The Company's maximum exposure relating to financial instruments is noted in liquidity table below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

Particulars	**As at March 31 2023**	**As at March 31 2022**
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Cash & Cash Equivalents	231.27	152.96
Other Non-Current financial assets	72.78	73.24
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivable	1573.82	1337.89

Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

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The ageing analysis of trade receivables has been considered from the date the invoice falls due.

Particulars	As at March 31 2023	As at March 31 2022
0 to 180 Days due past due date	1571.03	1335.10
More than 180 days past due date	2.79	2.79
Total	**1573.82**	**1337.89**

(d) 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 reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31,2023	Less than 1 Year	More than 1 Year	Total
Borrowings	623.56	8.93	632.49
Other Current Financial Liabilities	169.07	-	169.07
Trade Payables	164.32	-	164.32
As at March 31,2022	**Less than 1 Year**	**More than 1 Year**	**Total**
Borrowings	462.97	26.62	489.59
Other Current Financial Liabilities	119.17	-	119.17
Trade Payables	245.56	-	245.56

26.10 The balances of Trade Receivables, Loans & Advances, Deposits and Trade Payables are subject to confirmation/ reconciliation and subsequent adjustments if any.

26.11 In opinion of the Board, all the current assets, loans & advances have the value on realization in the ordinary course of business at least equal to amount at which they are stated.

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26.12 The company enjoys revenue from sale of single product and segment of cost resulting. There is no desegregation of revenue and hence no disclosures are being made separately

26.13 Recent Accounting Developments

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

26.14 Additional Information

i. **Details of Benami Property held**
As per information provided by the management the company has no Benami property.

ii. All the title deeds of immovable property are in the name of the company

iii. The Company has borrowings from banks or financial institutions on the basis of security of current assets, Monthly returns or statements of current assets filed by the Company and are in agreement with the books of accounts

iv. **Wilful Defaulter**
The company has not been declared wilful defaulter by any bank or financial Institution or other lender.

v. **Relationship with Struck off Companies**
The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

vi. **Registration of charges or satisfaction with Registrar of Companies**
All charges or charges or satisfaction with Registrar of Companies have been made on time.

vii. **Compliance with number of layers of companies**
Provisions of restrictions on number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, are not applicable on the company as the company has no subsidiary.

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viii. **Compliance with approved Scheme(s) of Arrangements**
The company has never been involved in the Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

ix. **Utilisation of Borrowed funds and share premium:**

a. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries). The company has not provided any guarantee, security or the like to any person or entity

b. The company has not received any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise). Further the company has not received any guarantee, security or the like any guarantee, security or the like to any person or entity

x. **Undisclosed income**
The Company has no such transactions unrecorded 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

xi. **Details of Crypto Currency or Virtual Currency**
Where the Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

26.15 Previous year amounts have been reclassified wherever necessary to confirm with current year presentation.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

ARUN KUMAR SOOD
DIRECTOR
DIN- 00685937

AJAY KUMAR SOOD
DIRECTOR
DIN- 00685585

PLACE: LUDHIANA
DATED: 30.05.2023

USHA JAYAPRAKSH
CHIEF FINANCIAL OFFICER

PRANAV KHANNA
COMPANY SECRETARY

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