

**Independent Auditor's Report**

**To the Members of Kanohar Electricals Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying Financial Statements of **Kanohar Electricals Limited** ("the Company"), which comprise the balance sheet as at March 31, 2025, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information. (hereinafter referred to as the "Financial Statements") which includes Joint Operation of Kanohar-BCPL JV accounted on proportionate basis.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the Joint Operations referred to in the Other Matter section below, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, made thereunder, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2025, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in Company's annual report particularly with respect to the Board's Report including Annexures to Board's Report, but does not include the Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.





Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, read with relevant Rules, as amended, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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



- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the financial statement system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of material accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its Joint Operation to express an opinion on the Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the company of which we are the independent auditors. For the other entity or business activity included in the Financial Statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.



**Other Matter**

We did not audit the financial statement/information of a Joint Operation included in the financial statement of the Company for the year ended March 31, 2025, whose financial statement /information reflect total assets Rs. 1,479.94 lakhs as at March 31, 2025, total revenue of Nil and total net loss after tax of Rs. 0.01 Lakh for the year ended March 31, 2025, as considered in the financial statement of the company related to our share which has been audited by other auditor.

The auditor's report on the financial statement for this joint operation have been furnished to us by the management and our opinion on the financial statement of the company in so far as it relates to the amounts and disclosures included in respect of these joint operation is based solely on the report of such auditor and the procedure performed by us as stated in paragraph above.

The auditor's report on the financial statement for this joint operation have been furnished to us by the management and our opinion on the standalone financial statement in so far as it relates to the amounts and disclosures included in respect of these joint operation is based solely on the report of such auditor and the procedure performed by us as stated in paragraph above.

Our opinion on the financial statement of the company as mentioned above and our report on Other Legal and Regulatory Requirements below are not modified in respect of the above matter with respect to our reliance on the report of the other auditor.

**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 "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, based on our audit as referred to in Other Matters section above, 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 of the aforesaid financial statement.
  - (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 cash flow and statement of change in equity dealt with by this report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to Financial Statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting with reference to the Financial Statements.
- (g) In our opinion, and to the best of our information and according to the information given to us, the managerial remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements (Refer Note No. 34 to the Financial Statements).
  - ii. The Company has long - term contracts for which there were no material foreseeable losses as at March 31, 2025. Further, the company did not have any long-term derivative contracts for which there were any material foreseeable losses.
  - iii. There was no amount, required to be transferred, to the Investor Education and Protection Fund by the Company Financial Statements
  - iv. (a) The Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



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- (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.
- v. No Dividend have been declared or paid during the year by the company Financial Statements.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The Audit trail feature has operated throughout the year for all relevant transactions recorded in the software and has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for records retention.

**For S S Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 022150N



**Naveen Aggarwal**

Partner

Membership No. 094380

UDIN: 25094380BMKXJ13823

Place: New Delhi

Date: August 14, 2025



**Annexure A" to the Independent Auditors' Report on the Financial Statements of Kanohar Electricals Limited for the year ended 31<sup>st</sup> March, 2025**

The Annexure as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements of our Independent Auditors' Report to the members of Kanohar Electricals Limited on the Financial Statements for the year ended March 31, 2025, we report that:

**To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we report that**

- i. In respect of the Company's Property, Plant and Equipment (PPE) and Intangible assets:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) According to the information and explanation provided to us, the Property, Plant & Equipment have been physically verified by the management during the year, based on the phased programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. There have been no discrepancies, noticed on such physical verification.
  - c) According to the information and explanation given to us and based on our examination of records, we report that, the title deeds of all immovable properties disclosed in the Financial Statements included under Property, Plant and Equipment (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet.
  - d) According to the information and explanation given to us and based on our examination of records, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
  - e) According to the information and explanation given to us and based on our examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under The Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) According to the information and explanations given to us and based on our examination of the records of the Company, the inventory has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory and have been properly dealt with in the books of accounts.



- b) According to the information and explanation given to us and based on our examination of records, 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 returns/statement filed at end of the quarter with banks are in agreement with books of accounts of company except the instances disclosed in note no. 43 of Financial Statements
- iii. According to the information and explanations given to us, during the year, the Company have not provided guarantee and made investments Financial Statements. However, it has not provided loans and advances in nature of loan secured or unsecured, security to companies, firms, Limited Liability Partnerships or any other parties, Accordingly, provisions of clause 3 (iii) (a) to clause 3 (iii) (f) of the Order is not applicable.
- iv. According to the information and explanations given to us, the provisions of section 185 and section 186 of the Act are applicable on the Company, however, during the year, no such transactions have been entered by the Company with respect to the loans, investments, guarantees and security provided.
- v. According to the information and explanations given to us, during the year the Company has neither accepted any deposits from the public nor any deposits are outstanding during the year. There are no deemed deposits under the provisions of Act, and rules thereunder. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Act, in respect of the manufacture of electrical transformer and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.
- vii. According to the information and explanations given to us and the records of the Company examined by us, in our opinion:
- a) the Company is regular in depositing undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Professional tax, and other material statutory dues as applicable, with the appropriate authorities except few instances of delays in deposition of TDS & advance tax. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- b) there are no statutory dues referred to in clause 3 (vii) (a) above which have not been deposited on account of any dispute except for the following:





(Rs. In Lakhs)				
Name of Statute	Nature of Dues	Amount of Dispute*	Period to which the amount relates	Forum where the dispute is pending
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	21.76	FY 2020-21	Commissioner Appeal (Karnataka)
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	8.78	FY 2019-20	Commissioner Appeal (Odisha)
Goods & Services Act, 2017	SGST & CGST Act 2017 as applicable	0.20	FY 2019-20	Commissioner Appeal (Uttar Pradesh)
UP Trade Tax Act	UP Trade Tax Act	4.08	FY 2016-17	High Court Allahabad
Bihar Value Added Tax 2005	Bihar Vat Act	8.57	FY 2015-16	Appellate-Tribunal (Bihar)

\*The amount mentioned above excludes amount deposited under protest.

(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 (43 of 1961). Accordingly, provisions of clause 3(viii) of the Order is not applicable.

(ix) (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender. Accordingly, provisions of under clause 3(ix)(a) of the Order is not applicable.

(b) Based on the information and explanations obtained by us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us and based on our examination of records, the Company has applied the term loans for the purpose for which the loans were obtained.

(d) According to the information and explanation given to us and based on our examination of records, funds raised on a short- term basis have not been used during the year for long-term purposes by the Company.

(e) According to the information and explanation given to us and based on our examination of records, the Company is not having subsidiary, associate or joint venture. Accordingly,

provisions of clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanation given to us and based on our examination of records, the Company is not having associate or joint venture. Accordingly, provisions of clause 3(ix)(f) of the Order is not applicable.

- (x) (a) According to the information and explanation given to us and on the basis of our examination of the records, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, provisions of clause 3 (x)(a) of the order is not applicable.

(b) According to the information and explanation given to us and based on our examination of records, the company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, provisions of clause 3 (x)(b) of the order is not applicable.

- (xi) (a) According to the information and explanation given to us and based on our examination of records, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit. Accordingly, provisions of clause 3 (xi)(a) of the order is not applicable

(b) According to the information and explanation given to us and based on our examination of records, 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) We have been informed that no whistle blower complaint has been received by the Company during the year (and up to the date of this report). Accordingly, provisions of clause 3(xi)(c) of the Order is not applicable.

- (xii) The company is not Nidhi Company. Accordingly, Clause (xii)(a), (xii)(b) and (xii)(c) of Para 3 of the order is not applicable to the Company.

- (xiii) In our opinion, the company is in compliance with section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the note no 40 of Financial Statements as required by the applicable Ind AS, however the company is not in compliance with the Section 177 of the Act.

- (xiv) (a) According to the information and explanation given to us and based on our examination of records, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date of our report, in determining the nature, timing and extent of our audit procedures.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with



directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.

- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 (2 of 1934). Accordingly, the provisions of the clause 3(xvi)(a) of the Order are not applicable to the company.

(b) According to the information and explanations given to us and based on our examination of the records, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

(c) According to the information and explanations given to us and based on our examination of the records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and based on our examination of the records, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3(xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (xviii) According to the information and explanations given to us and based on our examination of the records of the company, the previous statutory auditors of the company tendered their resignation during the year, resulting in a casual vacancy. We have obtained a no objection certificate from the previous statutory auditors, and we have not been informed of any issues, objections, or concerns raised by them.

- (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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) According to the information and explanations given to us and based on our examination of the records, there is no "other than ongoing project" in the company requiring transfer of unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act, accordingly, this clause is not applicable.

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- (b) According to the information and explanations given to us and based on our examination of the records, the company has transferred unspent amount under sub section (5) of section 135 of the Act in respect of ongoing project to a special account in compliance with sub section (6) of Section 135 of the said Act.
- (xxi) According to the information and explanations given to us and based on our examination of the records of the company, the company does not have any subsidiary or the joint venture. Accordingly, the clause 3(xxii) of the order is not applicable.

**For S S Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 022150N



**Naveen Aggarwal**

Partner

Membership No. 094380

UDIN: 25094380BMKXJI3823

Place: New Delhi

Date: August 14, 2025





**"Annexure B" to the Independent Auditor's Report on the Financial Statements of Kanohar Electricals Limited for the year ended 31<sup>st</sup> March, 2025**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'**

**Our reporting on the internal financial control with reference to financial statement is not applicable in respect of joint operation incorporated in India on which internal financial control is not applicable.**

We have audited the internal financial controls with reference to financial statements reporting of **Kanohar Electricals limited** ("the Company") as of March 31, 2025, 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 with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statement was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statement.



**Meaning of Internal Financial Controls with reference to financial statement**

A Company's internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statement**

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

**Opinion**

In our opinion, based on records the Company has, in all material respects, an adequate internal financial controls system with reference to financial statement and such internal financial controls with reference to financial statement were operating effectively as at March 31, 2025, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statement issued by the ICAI.

**For S S Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 022150N



**Naveen Aggarwal**

Partner

Membership No. 094380

UDIN: 25094380BMKXJI3823

Place: New Delhi

Date: August 14, 2025





Particulars	Note	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	2,985.68	2,390.26	2,477.47
Capital work-in-progress	3	126.17	-	-
Right of Use Assets	4	31.91	63.82	95.73
Intangible assets	5	119.23	149.33	150.70
<b>Financial assets</b>				
- Other financial assets	7	1,987.29	6,761.31	4,624.00
Income Tax Assets	8	4.42	4.99	4.99
Deferred tax assets (net)	18	320.83	6.35	-
Other Non current Assets	9	92.59	2.50	3.96
<b>Total non-current assets</b>		<b>5,668.12</b>	<b>9,378.56</b>	<b>7,356.85</b>
<b>Current assets</b>				
Inventories	10	4,342.92	8,369.52	5,351.87
<b>Financial assets</b>				
- Trade receivables	11	19,478.33	8,699.28	8,643.39
- Cash and cash equivalents	12	25.56	5.50	1,722.58
- Bank balances other than cash and cash equivalents	13	8,541.98	2,962.21	2,295.76
- Loans	6	4.27	11.83	19.80
- Other financial assets	7	3,809.50	1,414.33	1,284.83
Other current assets	9	1,336.76	1,446.25	1,849.37
<b>Total current assets</b>		<b>37,539.32</b>	<b>22,908.92</b>	<b>21,167.60</b>
<b>Total assets</b>		<b>43,207.44</b>	<b>32,287.48</b>	<b>28,524.45</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	14	401.48	401.48	401.48
Other equity	15	23,921.12	17,411.76	15,651.98
<b>Total equity</b>		<b>24,322.60</b>	<b>17,813.24</b>	<b>16,053.46</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	16	603.40	61.07	39.79
- Lease liabilities	4	-	30.48	59.73
- Other financial liabilities	21	1,170.87	1,170.87	-
Provisions	17	39.34	33.52	30.89
Deferred tax liabilities (net)	18	-	-	8.63
<b>Total non-current liabilities</b>		<b>1,813.61</b>	<b>1,295.94</b>	<b>139.04</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	16	2,623.10	4,146.61	2,321.72
- Lease liabilities	4	34.64	36.00	36.00
- Trade payables	20	-	-	-
- total outstanding dues of micro and small enterprises; and		3,105.43	745.41	786.55
- total outstanding dues of creditors other than micro and small enterprises		4,146.38	5,166.93	6,021.99
- Other financial liabilities	21	1,256.92	1,291.60	949.93
Other current liabilities	19	4,733.40	1,572.34	2,113.58
Provisions	17	79.05	57.56	56.66
Current tax liabilities (net)	8	1,092.31	161.85	45.52
<b>Total current liabilities</b>		<b>17,071.23</b>	<b>13,178.30</b>	<b>12,331.95</b>
<b>Total liabilities</b>		<b>18,884.84</b>	<b>14,474.24</b>	<b>12,470.99</b>
<b>Total equity and liabilities</b>		<b>43,207.44</b>	<b>32,287.48</b>	<b>28,524.45</b>
Corporate Information & Material accounting policy	1 & 2			

The accompanying notes form an integral part of these Financial Statements

As per our Report of even date attached  
For S S Kothari Mehta & Company  
Chartered Accountants  
Firm Regn. No 022150N

*Naveen*

Naveen Aggarwal  
Partner  
Membership No. 094380

Place of Signature:  
Dated: August 14, 2025



For and on behalf of Board of Directors  
Kanohar Electricals Limited  
CIN: U31909UP1972PLC003635

*Dinesh*  
Dinesh Singhal  
Managing Director  
(DIN:00178765)

*Brijesh*  
Brijesh Singhal  
Whole time Director  
(DIN:00178848)

*Adesh*  
Adesh Singhal  
Whole time Director  
(DIN:00178712)

*Shiv K. Kamboj*  
Shiv K. Kamboj  
Chief Financial Officer  
(M.No. 076032)

*Neha*  
Neha  
Company Secretary  
(M. No. A29167)

Kanohar Electricals Limited  
Statement of Profit and Loss for the year ended March 31, 2025  
(All amounts are in Indian ₹ lakh except share data and as stated)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income</b>			
Revenue from operations	22	45,061.23	27,668.95
Other income	23	668.27	443.09
<b>Total income</b>		<b>45,729.50</b>	<b>28,112.04</b>
<b>Expenses</b>			
Cost of materials consumed	24	22,000.20	15,062.60
Purchases of stock-in-trade	25	3,667.99	8,144.83
Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	4,744.47	(3,506.36)
Employee benefits expense	27	2,388.97	2,318.63
Finance costs	28	939.54	648.25
Depreciation and amortisation expense	29	289.46	316.62
Other expenses	30	2,919.84	2,541.96
<b>Total expenses</b>		<b>36,950.42</b>	<b>25,526.53</b>
<b>Profit before tax</b>		<b>8,779.08</b>	<b>2,585.51</b>
<b>Tax expense</b>			
a) Current tax	31	2,572.00	811.00
b) Income tax relating to earlier years		(2.05)	10.01
c) Deferred tax (net)		(310.89)	(10.02)
<b>Total tax expense</b>		<b>2,269.06</b>	<b>810.99</b>
<b>Profit for the year</b>		<b>6,520.02</b>	<b>1,774.52</b>
<b>Other comprehensive income ('OCI')</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of net defined benefit liability/(asset)		(14.24)	(19.70)
- Income tax relating to items that will not be reclassified to profit or loss		3.58	4.96
<b>Other comprehensive income for the year (Net of Tax)</b>		<b>(10.66)</b>	<b>(14.74)</b>
<b>Total comprehensive income for the year</b>		<b>6,509.36</b>	<b>1,759.78</b>
Earnings per equity share	32		
- Basic (in ₹) [face value per share ₹ 10/-]		175.18	47.68
- Diluted (in ₹) [face value per share ₹ 10/-]		175.18	47.68
Corporate Information & Material accounting policy	1 & 2		

The accompanying notes form an integral part of these Financial Statements

As per our Report of even date attached  
For S S Kothari Mehta & Company  
Chartered Accountants  
Firm Regn. No 022150N

Naveen Aggarwal  
Partner  
Membership No. 094380

Place of Signature:  
Dated: August 14, 2025



For and on behalf of Board of Directors  
Kanohar Electricals Limited  
CIN: U31909UP1972PLC003635

Dinesh Singhal  
Managing Director  
(DIN:00178765)

Brijesh Singhal  
Whole time Director  
(DIN:00178848)

Shiv K. Kamboj  
Chief Financial Officer  
(M.No. 076032)

Adesh Singhal  
Whole time Director  
(DIN:00178712)

Neha  
Company Secretary  
(M. No. A29167)



## Statement of Cash Flow for the year ended March 31, 2025

(All amounts are in Indian ₹ lakh except share data and as stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before tax	8,779.08	2,585.51
Adjustments for:-		
Depreciation and amortisation expense	289.47	316.62
Finance costs	935.39	641.51
Loss/(gain) on disposal of property, plant and equipment (net)	(4.70)	(6.20)
Interest income	(605.96)	(299.28)
Interest on Lease Liability	4.17	6.74
Provision of expected credit loss and doubtful loans and advances	(30.78)	(54.63)
Unrealised foreign exchange (gain) / loss (net)	(22.07)	4.21
Dividend income	-	-
<b>Operating profit before working capital changes</b>	<b>9,344.60</b>	<b>3,194.48</b>
Working capital adjustments		
Inventories	4,026.60	(3,017.65)
Trade receivables	(10,748.27)	(1.26)
Trade payables	1,361.54	(900.42)
Other financial assets	2,547.38	(1,514.75)
Other current and non-current assets	109.49	403.14
Other financial liabilities	(128.68)	1,467.44
Other current liabilities	3,161.07	(541.23)
Provisions	13.05	(16.16)
<b>Cash flows from operating activities</b>	<b>9,686.78</b>	<b>(926.40)</b>
Income taxes paid/refund (net)	(1,769.48)	(704.68)
<b>Net cash flows from/ (used in) operating activities (A)</b>	<b>7,917.30</b>	<b>(1,631.08)</b>
<b>Cash flows from investing activities</b>		
Payment for acquisition of Property Plant and Equipment	(823.72)	(170.70)
Payment for acquisition of Capital Work in Progress	(175.61)	-
Payment for acquisition of Intangible Assets	-	(25.85)
Proceeds from sale of Property, Plant and Equipment	5.55	8.07
Purchase of bank deposits	(5,748.30)	(1,418.53)
Loan & Advances Given	7.57	7.97
Interest received on Fixed Deposits	605.96	299.28
<b>Net cash flows from/(used in) investing activities (B)</b>	<b>(6,128.55)</b>	<b>(1,299.75)</b>
<b>Cash flows from financing activities (refer note below)</b>		
Proceeds from long term borrowings	691.33	81.02
Repayment of long term borrowings	(57.12)	(38.12)
Movement in short-term borrowings (net)	(1,615.40)	1,803.26
Payment of principal portion of lease liabilities	(31.84)	(29.26)
Payment of interest portion of lease liabilities	(4.16)	(6.74)
Finance cost paid	(751.49)	(596.40)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(1,768.68)</b>	<b>1,213.76</b>
<b>Net (decrease)/increase in cash and cash equivalents during the year (A+B+C)</b>	<b>20.05</b>	<b>(1,717.08)</b>
Cash and cash equivalents at the beginning of the year	5.50	1,722.58
<b>Cash and cash equivalents at the end of the year (refer note 13)</b>	<b>25.55</b>	<b>5.50</b>
<b>Cash and cash equivalents comprise of:</b>		
- Balance with banks in current accounts (refer note 12)	24.36	4.60
- Cash on hand (refer note 12)	1.19	0.90
	<b>25.55</b>	<b>5.50</b>

## Notes:

- The above Statement of Cash Flows has been prepared using indirect method as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- Net of movement in capital work-in-progress, capital advances and creditor for capital goods.
- Refer note 16(4) for reconciliation of liabilities arising from financing activities.

As per our Report of even date attached

For S S Kothari Mehta &amp; Company

Chartered Accountants

Firm Regn. No 022150N



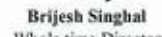
Naveen Aggarwal  
Partner  
Membership No. 094380

Place of Signature:

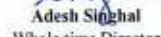
Dated: August 14, 2025


  
Dinesh Singhal  
Managing Director  
(DIN:00178765)

For and on behalf of Board of Directors  
Kanohar Electricals Limited  
CIN: U31909UP1972PLC003635

  
Brijesh Singhal  
Whole time Director  
(DIN:00178848)

  
Shiv K. Kamboj  
Chief Financial Officer  
(M.No. 076032)

  
Adesh Singhal  
Whole time Director  
(DIN:00178712)

  
Neha  
Company Secretary  
(M. No. A29167)

## a) Equity share capital

Particulars	Amount
Balance as at April 1, 2023	401.48
Changes in equity share capital	-
Balance as at March 31, 2024	401.48
Changes in equity share capital	-
Balance as at March 31, 2025	401.48

(\*Refer note 14 for further details)

## b) Other equity

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained earnings		
Balance as at April 1, 2023	1,042.86	64.28	4.63	15,638.71	-	16,750.48
Restated adjustments (refer note 41)	-	(64.28)	-	(1,034.23)	-	(1,098.51)
Balance as at April 1, 2023	1,042.86	-	4.63	14,604.48	-	15,651.97
Profit for the year	-	-	-	1,774.52	-	1,774.52
Other comprehensive income for the year:	-	-	-	-	-	-
- Remeasurements of net defined benefit liability/(asset) (net of tax)	-	-	-	-	(14.74)	(14.74)
Total comprehensive income as at March 31, 2024	-	-	-	1,774.52	(14.74)	1,759.78
Balance as at March 31, 2024	1,042.86	-	4.63	16,379.00	(14.74)	17,411.75
Profit for the year	-	-	-	6,520.02	-	6,520.02
Other comprehensive income for the year:	-	-	-	-	-	-
- Remeasurements of net defined benefit liability/(asset) (net of tax)	-	-	-	-	(10.66)	(10.66)
Total comprehensive income as at March 31, 2025	-	-	-	6,520.02	(10.66)	6,509.36
Balance as at March 31, 2025	1,042.86	-	4.63	22,899.02	(25.40)	23,921.11

(\* Refer note 15 for further details)

The accompanying notes form an integral part of these Financial Statements

As per our Report of even date attached

For S S Kothari Mehta &amp; Company

Chartered Accountants

Firm Regn. No 022150N

Naveen Aggarwal  
Partner

Membership No. 094380



Place of Signature:

Dated: August 14, 2025

For and on behalf of Board of Directors

Kanoohar Electricals Limited

CIN: U31909UP1972PLC003635

  
Dinesh Singhal  
Managing Director  
(DIN:00178765)


  
Brijesh Singhal  
Whole time Director  
(DIN:00178848)


  
Shikr. Kamboj  
Chief Financial Officer  
(M.No. 076032)


  
Adish Singhal  
Whole time Director  
(DIN:00178712)


  
Neha  
Company Secretary  
(M. No. A29167)



## 1 Corporate Information

Kanohar Electricals Limited ("The Company") having CIN no. U31909UP1972PLC003635 is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Rithani Delhi Road, Meerut, Uttar Pradesh, India, 250004. The Company is a leading manufacturer of reliable, cost effective and high quality transformers for generation, transmission and distribution of electric power up to 500 MVA, 500kV. The company's facilities are ISO 9001; 14001 and OHSAS 18001 certified and the company has self integrated almost all of its operations viz. lamination, coil forming, insulation, radiators manufacturing and fabrication.

## 2 Basis of Preparation & Material Accounting Policies

### 2.1 Basis of preparation

#### (i) Statement of compliance

These financial statements of the Company comply with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

For all periods up to and including the year ended 31 March 2024, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). The Company has prepared the financial statements for the year ended 31 March 2025 in accordance with Ind AS for the first time. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in financial statements (Refer Note no. 41).

#### (ii) Basis of measurement

The Financial Statements have been prepared under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Provisions, where the effect of time value of money is material are measured at present value
- Defined benefit plans and other long-term employee benefits

The financial statements are presented in Indian Rupees or "INR" and all amounts disclosed in the financial statements have been rounded off to the nearest lakhs (as per requirement of Schedule III), unless otherwise stated.

#### (iii) Current vs Non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current in the balance sheet.

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

#### (iv) Treatment of Joint Operation

The Company's interest in its joint operation are accounted for using the Proportional Consolidation Method in the Financial Statements.

If a member of the Company uses accounting policies other than those adopted in the Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the Financial Statements to ensure conformity with the Company's accounting policies. The Financial Statements of entity used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year ended on 31st March, 2025.

### 2.2 Material Accounting Policies

#### 2.2.1 Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, net of trade discounts and rebates, directly attributable costs of bringing the asset to its working condition for its intended use and capitalised borrowing costs. When significant parts of the plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent expenditure related to an item of property, plant and equipment is capitalised only if it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date and stated at cost, net of accumulated impairment loss, if any.

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 is recognised in the statement of profit and loss when the asset is derecognised.

Depreciation is provided on straight-line method over the useful lives of assets. Depreciation commences when an asset is ready for its intended use. The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the asset classes, where the useful lives was determined by technical evaluation. Freehold land is not depreciated. Depreciation on additions to / deductions from assets is provided on pro-rata basis with reference to the date of addition / deletion.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year end, with the effect of any changes in estimate accounted for on a prospective basis.

The useful life is as follows:

Assets	Useful life (in years)
Buildings	3 - 60
Plant and equipment	15
Furniture and fixtures	10
Vehicles	8
Office Equipment	5
Computers	3



On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for Property, plant and equipment as its deemed cost as on the date of transition to Ind AS.

## 2.2.2 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives, if any 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.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset 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 asset is derecognised.

The useful life is as follows:

Assets	Useful life (in years)
Softwares	6

On transition to Ind AS, the Company has elected to continue with the carrying value as per the previous GAAP for all intangible assets as its deemed cost.

## 2.2.3 Impairment of non-financial assets

At the end of each reporting period, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised in the statement of profit and loss, when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of the cash-generating unit (a group of assets that generate identified, independent cash flows), at the higher of the cash-generating unit's (CGUs) fair value less cost to sell and the value in use.

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.

## 2.2.4 Inventories

Inventories are valued as under:

- Raw materials, packing materials, stores and spares, loose tools and traded goods at lower of cost and net realisable value. Cost is determined on a first in first out basis.
- Work-in-progress and finished goods (manufacturing) at lower of cost and net realisable value. Cost includes an appropriate share of production overheads based on normal operating capacity. Finished goods cost is determined on first in first out basis.

The cost of inventories comprises all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Obsolete and slow moving items of inventories are valued at cost or net realisable value, whichever is lower. Goods and Materials in transit are valued at actual cost incurred up to the reporting date. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Net realisable 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.

## 2.2.5 Foreign currency transactions

**Initial recognition:**

Transactions in foreign currencies entered are accounted at the exchange rates prevailing on the date of the transaction.

**Measurement as at balance sheet date:**

Foreign currency monetary items that are outstanding at the balance sheet date are restated at year end exchange rates. Non-monetary items carried at historical cost are translated using the exchange rates at the dates of initial transactions.

**Treatment of exchange differences:**

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognized as income or expense in the statement of profit and loss.

## 2.2.6 Revenue recognition

**(a) Revenue from sale of goods and services:**

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, which generally coincides with the delivery of goods to customers. Revenue from services is recognised when services are rendered.

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised when such freight services are rendered. Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items in a contract when they are highly probable to be provided. The variable consideration is estimated at contract inception updated thereafter at each reporting date or until crystallisation of the amount.

**(b) Interest Income**

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is recognised taking into account the amount outstanding and the effective interest rate.





## 2.2.7 Employee benefits

### Short-term employee benefits

All employee benefits payable wholly within twelve months after the end of the annual reporting period in which the employees render the related services, are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amounts of the benefits expected in exchange for the related services.

### Post-employment benefits

#### Defined Contribution Scheme:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

#### Defined benefit plans:

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with the actuarial valuations being carried out at the end of each annual reporting period.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the profit or loss. Past service cost is recognised in the statement of profit and loss in the period of plan amendment or when the Company recognised related re-structuring costs.

The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in profit or loss:

- service costs comprising current service costs, past-service costs, gains and losses on curtailments and settlements;
- net interest expense or income.

#### Gratuity:

The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. The scheme is funded. Remeasurements, comprising of actuarial gains and losses are recognised in full in other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit or loss subsequently.

#### Leave encashment:

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognised in full in the statement of profit and loss.

#### Termination benefits:

Termination benefits are recognised as an expense when the Company can no longer withdraw the offer of the termination benefits or when the Company recognises any related restructuring costs whichever is earlier.

## 2.2.8 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee:

At the date of commencement of the lease, the Company recognises right-of-use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases and leases of low-value assets). For these short-term leases and leases of low-value assets, the Company considers ₹ 1.50 Lakhs per annum lease payments as low value, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

A ROU asset is recognised representing its right to use the underlying asset for the lease term. The cost of the ROU asset measured at inception comprises of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses and adjusted for any remeasurement of the lease liability.

The ROU assets are depreciated from the commencement date using the straight-line method over the shorter of lease term or useful life of right-of-use asset.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. The Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.



### 2.2.9 Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the reporting period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, occurred during the reporting year, 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 for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year, are adjusted for the effects of all dilutive potential equity shares.

### 2.2.10 Income Taxes

Income tax expense for the period comprises of current and deferred tax. Income tax expense is recognised in the statement of profit and loss except when they are relating to items that are recognised in OCI or directly in equity, in which case, it is also recognised directly in OCI or equity respectively.

#### Current tax

Current tax comprises the expected income tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is determined by using tax rates in accordance with the provisions of Income Tax Act, 1961. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

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

Unrecognised deferred tax assets are reassessed 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.

### 2.2.11 Provisions, Contingent liabilities, Contingent assets and Commitments

#### General

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

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

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

#### Warranty provisions

Provisions for the expected cost of warranty obligations are recognised at the time of sale of relevant product or service, at the best estimate of the expenditure required to settle the Company's obligation.

### 2.2.12 Fair value measurement

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

- Level 1 – Quoted (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.

### 2.2.13 Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the Financial Statements.





## 2.2.14 Financial Instruments

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

### (i) Financial assets:

#### Initial recognition and measurement

Financial assets are measured at fair value on initial recognition, except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

#### Subsequent measurement

All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets.

Where financial 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 'FVTPL'), or recognised in other comprehensive income (i.e. fair value through other comprehensive income or 'FVTOCI').

A financial asset is measured at amortised cost (net of any write down for impairment) if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

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

All other financial assets are measured at fair value through profit or loss.

#### Impairment of financial assets

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies a simplified approach under which loss allowance is recognised based on expected lifetime ECL losses to be recognised on each reporting date. The Company uses a provision matrix that is based on its historical credit loss experience adjusted for relevant forward-looking factors. For other assets, the Company uses 12 months ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk since initial recognition, full lifetime ECL is used.

#### Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

### (ii) Financial liabilities:

#### Initial recognition and measurement

Financial liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### Subsequent measurement

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss ('FVTPL'). A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### 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 modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## 2.3 Accounting Judgements, Estimates and Assumptions

The preparation of The Financial Statements in conformity with Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities at the date of The Financial Statement and results of operations during the reporting period. The Management believes that the estimates used in preparation of The Financial Statement are prudent and reasonable. Differences between actual results and estimates are recognised in the period in which the results are shown /materialised.



i) Estimated useful life of intangible asset and property, plant and equipment

The Company assesses the remaining useful lives of Intangible assets and property, plant and equipment on the basis of internal technical estimates. Management believes that assigned useful lives are reasonable. Refer Note no 3 & 5.

ii) Income taxes:

Deferred tax assets are recognised for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. Reference to Note no 18.

iii) Defined benefit plans and Other Long-Term Benefits:

The cost of the defined benefit plan and other long-term benefit and their present value are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The most sensitive is discount rate. Future salary increases and gratuity increases are based on expected future inflation rates. Reference to Note no 35

iv) Contingent liabilities:

Management judgment is required for estimating the possible outflow of resources, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. The management believes the estimates are reasonable and prudent.

v) Revenue Recognition

The Company estimates variable considerations in the nature of volume rebates, discounts, performance bonuses, penalties and similar items and adjusts the transaction price for the sale of goods and services. These expected variable considerations are analysed either at customer or contracts basis against agreed terms with customers and may differ from actual results. Reference to Note no 33

vi) Provision for doubtful receivables and contract assets:

In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract. Reference to Note no 33

vii) Estimation of net realisable value of inventories:

Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value/ Fair value of Inventories, the Company makes an estimate of future selling prices and costs necessary to make the sale.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future year, the same is recognised accordingly.





3 Property, plant and equipment and capital work-in-progress

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computer	Total	CWIP
<b>Gross carrying values</b>									
As at April 1, 2023									
Deemed cost as at 01 April 2023	207.64	1,221.02	789.07	33.77	176.72	27.63	21.62	2,477.47	-
Additions for the year	-	-	58.77	4.21	95.24	8.65	5.27	172.14	-
Disposals/capitalisations for the year	-	-	-	-	2.94	-	-	2.94	-
As at March 31, 2024	207.64	1,221.02	847.84	37.98	269.02	36.28	26.89	2,646.67	-
Additions for the year	-	1.09	771.93	0.37	32.74	11.84	5.76	823.73	126.17
Disposals/capitalisations for the year	-	-	0.26	-	0.59	-	-	0.85	-
As at March 31, 2025	207.64	1,222.11	1,619.51	38.35	301.17	48.12	32.65	3,469.55	126.17
<b>Accumulated depreciation</b>									
As at April 1, 2023									
Charge for the year	-	50.31	147.15	5.52	37.16	7.92	9.43	257.49	-
Disposals for the year	-	-	-	-	1.07	-	-	1.07	-
As at March 31, 2024	-	50.31	147.15	5.52	36.09	7.92	9.43	256.42	-
Charge for the year	-	50.19	112.01	5.87	44.46	7.71	7.21	227.45	-
Disposals for the year	-	-	-	-	-	-	-	-	-
As at March 31, 2025	-	100.50	259.16	11.39	80.55	15.63	16.64	483.87	-
<b>Net carrying values</b>									
As at April 1, 2023	207.64	1,221.02	789.07	33.77	176.72	27.63	21.62	2,477.47	-
As at March 31, 2024	207.64	1,170.71	700.69	32.46	232.93	28.37	17.47	2,390.26	-
As at March 31, 2025	207.64	1,121.61	1,360.35	26.96	220.62	32.49	16.01	2,985.58	126.17

Ageing of Capital work-in-progress ('CWIP')

As at March 31, 2025

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	126.17	-	-	-	126.17
Projects temporarily suspended	-	-	-	-	-
	126.17	-	-	-	126.17

As at March 31, 2024

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

As at April 1, 2023

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note: The Company does not have any capital-work-in-progress which is overdue or has exceeded its cost compared to its original plan as at current reporting date or any of the preceding financial years.

Notes:

- During the year, the company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property Plant and Equipment at deemed cost as at the date of transition.
- Refer note 34(c) for disclosure of contractual commitments for acquisition of property, plants and equipment and Intangible Assets.
- Refer note 16(i) - Property, plant and equipment are pledged or given as security or under lien.
- The Company does not have any benami property and no proceedings have been initiated or pending against the Company for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has not revalued its property, plant and equipment during the current reporting year or any of the preceding financial years.
- The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.



**Kanohar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**
*(All amounts are in Indian ₹ lakh except share data and as stated)*
**4 Leases**

Particulars	Buildings
<b>A Right of use assets</b>	
Gross carrying values	
As at April 1, 2023	95.73
Additions for the year	-
Disposals (including termination and modification)	-
As at March 31, 2024	95.73
Additions for the year	-
Disposals (including termination and modification)	-
As at March 31, 2025	95.73
Accumulated depreciation	-
As at April 1, 2023	-
Charge for the year	31.91
Disposals (including termination and modification)	-
As at March 31, 2024	31.91
Charge for the year	31.91
Disposals (including termination and modification)	-
As at March 31, 2025	63.82
Net carrying values	
As at April 1, 2023	95.73
As at March 31, 2024	63.82
As at March 31, 2025	31.91

B Lease liabilities	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Non-current	-	30.48	59.73
Current	34.64	36.00	36.00

**B.1 Extension and termination options**

Extension and termination options are included in all leases. These terms are used to maximise operational flexibility in terms of managing contracts.

**B.2 Lease payments not included in measurement of lease liability**

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis.

The details of all expenses are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Short-term lease rent	43.49	49.83
Depreciation on right-of-use assets	31.91	31.91
Interest expense on lease liabilities	4.16	6.74

**B.3 The contractual maturity of lease liabilities on an undiscounted basis is as follow:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	As at April 1, 2023
Upto 1 year	36.00	36.00	36.00
From 1 year to 5 years	-	36.00	72.00

**Notes:**

- Refer note 37 for disclosure of fair value in respect of financial assets measured at cost and disclosures for financial risk management.
- The weighted average incremental borrowing rate applied to lease liabilities is 8.48%





**Kanohar Electricals Limited****Notes to the financial statements for the year ended March 31, 2025***(All amounts are in Indian ₹ lakh except share data and as stated)***5 Intangible assets**

<b>Particulars</b>	<b>Softwares</b>
<b>Gross carrying values</b>	
<b>Deemed cost as at 01 April 2023</b>	150.70
Additions for the year	25.85
Disposals for the year	-
<b>As at March 31, 2024</b>	<b>176.55</b>
Additions for the year	-
Disposals for the year	-
<b>As at March 31, 2025</b>	<b>176.55</b>
<b>Accumulated amortisation</b>	
<b>As at April 1, 2023</b>	
Charge for the year	27.22
Disposals for the year	-
<b>As at March 31, 2024</b>	<b>27.22</b>
Charge for the year	30.10
Disposals for the year	-
<b>As at March 31, 2025</b>	<b>57.32</b>
<b>Net carrying values</b>	
<b>As at April 1, 2023</b>	<b>150.70</b>
<b>As at March 31, 2024</b>	<b>149.33</b>
<b>As at March 31, 2025</b>	<b>119.23</b>

**Notes:**

- (i) During the year, the company has elected Ind AS 101 exemption to continue with the carrying value for all of its Intangible assets at deemed cost as at the date of transition.

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Kanohar Electricals Limited  
Notes to the financial statements for the year ended March 31, 2025  
(All amounts are in Indian ₹ lakh except share data and as stated)

6 Loans

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Current</b>			
<i>(Unsecured, considered good)</i>			
Loan & Advances to employees	4.26	11.83	19.80
<b>Total</b>	<b>4.26</b>	<b>11.83</b>	<b>19.80</b>

**Notes:**

1 Refer note 37 for disclosure of fair value in respect of financial assets measured at cost and disclosures for financial risk management.

7 Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Non-current</b>			
<i>Contract Assets</i>			
Retention Money with Customer	-	4,941.29	3,553.28
Bank deposit with maturity for more than 12 months from the reporting date <sup>2</sup>	1,918.22	1,749.70	997.61
<i>(Unsecured, considered good)</i>			
Security Deposit - Customer	38.94	37.94	39.93
Security Deposit - Others	30.13	32.38	33.18
	<b>1,987.29</b>	<b>6,761.31</b>	<b>4,624.00</b>
<b>Current</b>			
<i>Contract Assets</i>			
Retention Money with Customer	3,829.22	1,426.05	1,309.64
Less: Allowance for Credit Loss Impaired	(349.81)	(370.17)	(416.00)
	<b>3,479.41</b>	<b>1,055.88</b>	<b>893.64</b>
<i>(Unsecured, considered good)</i>			
Other Receivables <sup>4</sup>	251.68	251.68	251.68
Plan Asset - Gratuity <sup>3</sup>	77.67	105.84	138.79
<i>(Unsecured, considered good)</i>			
Security Deposit - Others	0.74	0.93	0.72
	<b>3,809.50</b>	<b>1,414.33</b>	<b>1,284.83</b>

**Notes:**

1 Refer note 37 for disclosure of fair value in respect of financial assets measured at cost and disclosures for financial risk management.

2 The above deposit are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

3 Refer note 35(a) for further disclosure related to employee benefit obligations.

4 Refer foot note of Note 21

8 Tax assets/liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Non-Current</b>			
Income tax Refund Due	4.42	4.99	4.99
	<b>4.42</b>	<b>4.99</b>	<b>4.99</b>
<b>Current</b>			
Provision for tax (Net of advance tax and TDS)	(1,092.31)	(161.85)	(45.52)
	<b>(1,092.31)</b>	<b>(161.85)</b>	<b>(45.52)</b>

9 Other assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Non-Current</b>			
Capital Advances	92.59	2.50	3.96
	<b>92.59</b>	<b>2.50</b>	<b>3.96</b>
<b>Current</b>			
<i>(Unsecured, considered good)</i>			
Advances to suppliers and others	443.46	204.85	879.56
Balance with Government Authorities	796.21	788.51	879.70
Prepaid expenses	48.78	26.26	34.06
Sales Tax Recoverable <sup>1</sup>	13.16	11.35	54.55
Other Receivables	35.15	415.28	1.50
	<b>1,336.76</b>	<b>1,446.25</b>	<b>1,849.37</b>

**Notes:**

1 Refer note 34 for disclosure of Contingent Liability against this amount.

10 Inventories

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<i>(Valued at lower of cost and net realisable value unless otherwise stated)</i>			
Raw materials	2,142.86	1,422.98	1,911.23
Work-in-progress	1,989.64	3,681.71	2,585.28
Finished goods	113.43	3,208.95	546.51
Stock in Trade	107.92	44.75	297.26
Stores and spares	9.07	11.13	11.59
	<b>4,342.92</b>	<b>8,369.52</b>	<b>5,351.87</b>

**Notes:**

1 The above includes goods in transit as under:

Finished goods	51.15	1,752.93	-
Stock in Trade	48.01	-	-

2 The above includes goods at Customer Site as under:

Raw materials	23.79	44.75	297.26
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Kanohar Electricals Limited  
Notes to the financial statements for the year ended March 31, 2025  
(All amounts are in Indian ₹ lakh except share data and as stated)

11 Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Trade receivables			
Secured, considered good*	1,866.80	1,173.12	1,535.88
Unsecured, considered good	17,808.39	7,733.44	7,323.59
Less: Allowance for expected credit loss	(196.86)	(207.28)	(216.08)
	<u>19,478.33</u>	<u>8,699.28</u>	<u>8,643.39</u>

\* Secured by Letter of Credit.

Notes:

a) Trade receivables ageing schedule as at March 31, 2025

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
Secured, considered good	-	1,866.80	-	-	-	-	1,866.80
Unsecured, considered good	-	17,494.02	78.83	122.12	27.86	85.56	17,808.39
Unsecured, credit impaired	-	-	-	-	-	-	-
Disputed							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-
Unsecured, credit impaired	-	-	-	-	-	-	-
	-	<u>19,360.82</u>	<u>78.83</u>	<u>122.12</u>	<u>27.86</u>	<u>85.56</u>	<u>19,675.19</u>
Allowance for expected credit loss	-	-	-	-	-	-	(196.86)
	-	<u>19,360.82</u>	<u>78.83</u>	<u>122.12</u>	<u>27.86</u>	<u>85.56</u>	<u>19,478.33</u>

Trade receivables ageing schedule as at March 31, 2024

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
Secured, considered good	-	1,173.12	-	-	-	-	1,173.12
Unsecured, considered good	-	6,879.28	432.99	332.34	12.86	75.97	7,733.44
Unsecured, credit impaired	-	-	-	-	-	-	-
Disputed							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-
Unsecured, credit impaired	-	-	-	-	-	-	-
	-	<u>8,052.40</u>	<u>432.99</u>	<u>332.34</u>	<u>12.86</u>	<u>75.97</u>	<u>8,906.56</u>
Allowance for expected credit loss	-	-	-	-	-	-	(207.28)
	-	<u>8,052.40</u>	<u>432.99</u>	<u>332.34</u>	<u>12.86</u>	<u>75.97</u>	<u>8,699.28</u>

Trade receivables ageing schedule as at April 1, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
Secured, considered good	-	1,535.88	-	-	-	-	1,535.88
Unsecured, considered good	-	6,837.08	290.69	86.74	38.50	70.58	7,323.59
Unsecured, credit impaired	-	-	-	-	-	-	-
Disputed							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-	-	-
Unsecured, credit impaired	-	-	-	-	-	-	-
	-	<u>8,372.96</u>	<u>290.69</u>	<u>86.74</u>	<u>38.50</u>	<u>70.58</u>	<u>8,859.47</u>
Allowance for expected credit loss	-	-	-	-	-	-	(216.08)
	-	<u>8,372.96</u>	<u>290.69</u>	<u>86.74</u>	<u>38.50</u>	<u>70.58</u>	<u>8,643.39</u>

b) Refer note 37 for disclosure of fair value in respect of financial assets measured at cost and disclosures for financial risk management.

c) Trade receivables represent the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

12 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Balance with banks in current accounts	24.37	4.60	4.85
Cash on hand	1.19	0.90	0.10
Fixed Deposit (Bank deposits account with original maturity of less than 3 months)	-	-	1,717.63
	<u>25.56</u>	<u>5.50</u>	<u>1,722.58</u>

Notes:

1) Refer note 37 for disclosure of fair value in respect of financial assets measured at cost and disclosures for financial risk management.

13 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Fixed Deposits			
Bank deposits account with original maturity of more than three months but expiring less than 12 months	5,140.47	-	-
Margin Money			
Bank deposits account with remaining maturity for less than 12 months <sup>1a2</sup>	3,401.51	2,962.21	2,295.76
	<u>8,541.98</u>	<u>2,962.21</u>	<u>2,295.76</u>

Notes:

1 The above deposit are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

2 Bank deposits with original maturity of more than 12 months but remaining maturity of less than 12 months have been disclosed under other bank balances.



**14 Equity share capital**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Authorised</b>			
50,00,000 (March 31, 2024: 50,00,000 and April 1, 2023: 50,00,000) equity shares of ₹ 10 each	500.00	500.00	500.00
<b>Issued, subscribed and fully paid up</b>			
37,22,000 (March 31, 2024: 37,22,000 and April 1, 2023: 37,22,000) equity shares of ₹ 10 each	372.20	372.20	372.20
<b>Shares Forfeited</b>			
5,85,600 (March 31, 2024: 5,85,600 and April 1, 2023: 5,85,600) equity shares of ₹ 10 each, Paid up value of ₹ 5 each	29.28	29.28	29.28
	<b>401.48</b>	<b>401.48</b>	<b>401.48</b>

**(i) Reconciliation of number of shares:**

Equity shares	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	37,22,000	372.20	37,22,000	372.20	37,22,000	372.20
Changes during the year	-	-	-	-	-	-
Equity shares at the end of the year	<b>37,22,000</b>	<b>372.20</b>	<b>37,22,000</b>	<b>372.20</b>	<b>37,22,000</b>	<b>372.20</b>

**(ii) Terms/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company did not declare any dividend on equity shares during any of the reporting year. The dividend, if proposed by Board of Directors, is subject to the approval of shareholders in the Annual General Meeting.

**(iii) Details of shareholders holding more than 5% of share capital in the Company**

Equity shares	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
K-Sons Family Trust	36,09,500	96.98%	36,09,500	96.98%	36,09,500	96.98%

**(iv) Disclosure of promoter's shareholding :**

Name of the promoters	As at March 31, 2025			As at March 31, 2024			As at April 1, 2023		
	Number of shares	% of total shares	% of change	Number of shares	% of total shares	% of change	Number of shares	% of total shares	% of change
Dinesh Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Adesh Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Brijesh Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Vivek Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Ablishek Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Virat Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Aditya Singhal	100	0.00%	0.00%	100	0.00%	0.00%	100	0.00%	0.00%
Kamohar International Pvt. Ltd.	1,01,400	2.72%	0.00%	1,01,400	2.72%	0.00%	1,01,400	2.72%	0.00%
Institutions - K-Sons Family Trust	36,09,500	96.98%	0.00%	36,09,500	96.98%	0.00%	36,09,500	96.98%	0.00%

**(v) Shares reserved for issue under options**

The Company has not reserved any shares for issuance under options.

**(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

The company has neither issued bonus shares nor has bought back any shares during last 5 year.

**15 Other equity**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Reserves and surplus</b>			
Securities Premium	1,042.86	1,042.86	1,042.86
General Reserve	4.63	4.63	4.63
Other Comprehensive Income	(25.40)	(14.74)	-
Retained earnings	22,899.03	16,379.01	14,604.49
	<b>23,921.12</b>	<b>17,411.76</b>	<b>15,651.98</b>

**Nature and purpose of reserves:****a) Securities Premium**

The securities premium is used to record the premium received on the issue of shares. This reserve can be utilized only for limited purposes, such as the issuance of bonus shares, in accordance with the provisions of the Companies Act, 2013.

**b) General Reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**c) Retained earnings**

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the company.

**d) Other Comprehensive Income**

Other items of other comprehensive income consist of re-measurement of net defined benefit liability.





**Kanohar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**
*(All amounts are in Indian ₹ lakh except share data and as stated)*
**16 Borrowings<sup>6</sup>**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Non-current:</b>			
<b>Secured Loans</b>			
-Term loan from Bank	745.36	111.15	68.23
Less: Current Maturities of Term loan from Bank	(141.96)	(50.08)	(28.44)
	<b>603.40</b>	<b>61.07</b>	<b>39.79</b>
<b>Current:</b>			
<b>Secured Loans</b>			
-Working capital demand loan & Cash Credit facility from bank	2,481.14	3,139.57	1,771.86
Add: Current Maturities of Term loan from Bank	141.96	50.08	28.44
	<b>2,623.10</b>	<b>3,189.65</b>	<b>1,800.30</b>
<b>Unsecured Loans</b>			
-Loans From related parties	-	956.96	521.42
	<b>2,623.10</b>	<b>4,146.61</b>	<b>2,321.72</b>

**Notes:**
**1 Security details**

- a) The Term Loan comprises outstanding balances of various term loans taken under Credit Facilities availed from Axis Bank Limited ("Term Loan") having moratorium period of 12 months and are repayable in 72 equal instalments after the expiry of the moratorium period.
- The Term Loan is secured by exclusive charge on the entire current assets & entire movable fixed assets of the company, both present and future except for movable fixed assets/vehicles financed by other; Hypothecation of charge on entire machinery purchased / To be purchased out of Axis bank Term Loan ; 1st pari passu charge on immovable property at Gagol Road and vill Rithani in the name of Kanohar Electricals Limited; 1st pari passu charge on Residential house situated at Hari Nagar, Meerut in the name of Kanohar Lal Singhal HUF and Further, the Term Loan is additionally secured by Guarantee provided by Company's directors & Kanohar Lal Singhal HUF to the extent of entire exposure and for the entire tenor of the Credit Facilities.
- b) The car finance loan comprises outstanding balance of Various loans taken under Credit Facilities availed from ICICI Bank Ltd, Yes Bank Ltd and State Bank of India ("Term Loan") are repayable in 36 to 60 equal instalments, however loans from ICICI bank repaid during the year.
- The Term loan is secured by exclusive charge on respective vehicle.
- c) The secured Short Term Borrowings, comprising Working Capital Loan and Short Term Cash Credit from HDFC Bank Limited , Axis Bank Ltd, Yes Bank Ltd and State bank of India ("Borrowings"), these are secured by exclusive charge on the entire current assets & entire movable fixed assets of the company, both present and future except for movable fixed assets/vehicles financed by other bank or financial institution, entire machinery purchased / To be purchased are hypothecated by Axis bank ; There is 1st pari passu charge on immovable property at Gagol Road and vill Rithani in the name of Kanohar Electricals Limited; Further there is also 1st pari passu charge on Residential house situated at Hari Nagar, Meerut in the name of Kanohar Lal Singhal HUF and furthermore the loan is additionally secured by Guarantee provided by Company's directors & Kanohar Lal Singhal HUF to the extent of entire exposure and for the entire tenor of the Credit Facilities.



- 2 Refer note 40 for disclosure of related party balances as at each reporting dates.  
3 Refer note 37 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.  
4 Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities including both changes arising from cash flows and non-cash changes:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>a) Long-term borrowings</b>			
Balance at the beginning of the year	111.15	68.23	68.23
Proceeds from long-term borrowings	691.00	80.43	-
Repayment of long-term borrowings	(57.12)	(38.12)	-
Non Cash Item	0.33	0.61	-
<b>Balance at the end of the year</b>	<b>745.36</b>	<b>111.15</b>	<b>68.23</b>
<b>b) Short-term borrowings</b>			
Balance at the beginning of the year	4,096.53	2,293.28	2,293.28
Movement in short term-borrowings (net)	(1,615.39)	1,803.25	-
<b>Balance at the end of the year</b>	<b>2,481.14</b>	<b>4,096.53</b>	<b>2,293.28</b>
<b>c) Lease liabilities</b>			
Balance at the beginning of the year	66.48	95.73	95.73
Additions during the year	-	-	-
Finance cost accrued during the year	4.16	6.74	-
Modified terminated during the year	-	-	-
Payment of principal portion of lease liabilities	(31.84)	(29.25)	-
Payment of interest portion of lease liabilities	(4.16)	(6.74)	-
<b>Balance at the end of the year</b>	<b>34.64</b>	<b>66.48</b>	<b>95.73</b>

5 The Company has not defaulted in repayment of any loans and interest during the year.

6 Amount includes Interest Accrued.

#### 17 Provisions

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Non-current:</b>			
<b>Provision for employee benefits:</b>			
Gratuity <sup>1</sup>	-	-	-
Compensated absences <sup>2</sup>	39.34	33.52	30.89
<b>Total</b>	<b>39.34</b>	<b>33.52</b>	<b>30.89</b>
<b>Current:</b>			
<b>Provision for employee benefits:</b>			
Gratuity <sup>1</sup>	-	-	-
Compensated absences <sup>2</sup>	14.27	12.17	10.43
Provision for Warranty <sup>3</sup>	64.78	45.39	46.23
<b>Total</b>	<b>79.05</b>	<b>57.56</b>	<b>56.66</b>

#### Notes:

- 1 Refer note 35(a) for further disclosure related to employee benefit obligations.  
2 Refer note 35(b) for further disclosure related to employee benefit obligations.  
3 Refer note 36(I) for movement in these provisions.





## 18 Deferred tax liabilities/(assets) (net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Tax effects of items constituting deferred tax liabilities</b>			
Difference between written down value of property, plant and equipment and intangible assets as per books of accounts and income-tax	200.95	188.10	196.84
Difference between written down value of Right of Use Assets as per books of accounts and income-tax	8.03	16.06	24.09
<b>Total (a)</b>	<b>208.98</b>	<b>204.16</b>	<b>220.93</b>
<b>Tax effects of items constituting deferred tax assets</b>			
Lease liabilities	(8.72)	(16.73)	(24.09)
Provision for employee benefits	(13.49)	(11.50)	(10.40)
Provision for Bonus	(15.07)	(13.82)	(6.67)
Provision for Int. on MSME	(24.46)	(11.70)	(0.42)
MSME Payables	(314.17)	-	-
Provision for Warantee	(16.30)	(11.42)	(11.64)
Provision/impairment for doubtful receivables, loans and advances	(137.59)	(145.33)	(159.08)
<b>Total (b)</b>	<b>-529.80</b>	<b>(210.50)</b>	<b>(212.30)</b>
<b>Deferred tax liabilities/(assets)</b>			
<b>Net (a-b)</b>	<b>(320.82)</b>	<b>(6.34)</b>	<b>8.63</b>

## 19 Other liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Current:</b>			
Contract Liabilities			
- Advance from customers	2,357.48	461.92	966.56
- Others <sup>1</sup>	1,208.85	564.73	626.17
Unsettled CSR Expenditure	56.04	-	43.48
Statutory dues	1,111.03	545.69	477.37
	<b>4,733.40</b>	<b>1,572.34</b>	<b>2,113.58</b>

## Note:

- 1 Others including provision for liquidated damages



**Kanohar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**
*(All amounts are in Indian ₹ lakh except share data and as stated)*
**20 Trade payables**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note (ii) below)	3,105.43	745.41	786.55
Total outstanding dues to creditors other than micro enterprises and small enterprises	4,146.38	5,166.93	6,021.99
<b>Total</b>	<b>7,251.81</b>	<b>5,912.34</b>	<b>6,808.54</b>

**Notes:**
**i) Trade payables ageing schedule as at March 31, 2025**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Un-disputed</b>						
Total outstanding dues of micro enterprises and small enterprises	2,108.73	990.56	2.60	1.59	1.95	3,105.43
Total outstanding due of creditors other than micro enterprises and small enterprises	3,966.78	137.70	5.73	15.14	21.03	4,146.38
<b>Disputed</b>						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding due of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>6,075.51</b>	<b>1,128.26</b>	<b>8.33</b>	<b>16.73</b>	<b>22.98</b>	<b>7,251.81</b>

**Trade payables ageing schedule as at March 31, 2024**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Un-disputed</b>						
Total outstanding dues of micro enterprises and small enterprises	44.87	700.24	0.28	0.01	0.01	745.41
Total outstanding due of creditors other than micro enterprises and small enterprises	3,682.36	1,384.48	41.35	20.77	37.97	5,166.93
<b>Disputed</b>						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding due of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>3,727.23</b>	<b>2,084.72</b>	<b>41.63</b>	<b>20.78</b>	<b>37.98</b>	<b>5,912.34</b>

**Trade payables ageing schedule as at April 1, 2023**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Un-disputed</b>						
Total outstanding dues of micro enterprises and small enterprises	435.93	350.62	-	-	-	786.55
Total outstanding due of creditors other than micro enterprises and small enterprises	5,000.66	704.47	80.08	220.60	16.17	6,021.99
<b>Disputed</b>						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding due of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>5,436.59</b>	<b>1,055.09</b>	<b>80.08</b>	<b>220.60</b>	<b>16.17</b>	<b>6,808.54</b>

**ii) Disclosures required under Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006:**

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006 as at reporting date is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:			
Principal	3,146.08	745.41	786.55
Interest	97.19	46.48	1.66
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
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 MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	97.19	46.48	1.66
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

(iii) Refer note 37 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.

(iv) Refer note 40 for disclosure of related party balances as at each reporting dates.

**21 Other financial liabilities**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Non-current:</b>			
Amount Payable to Customer <sup>4</sup>	1,170.87	1,170.87	-
	<b>1,170.87</b>	<b>1,170.87</b>	<b>-</b>
<b>Current:</b>			
Retention Money - Supplier	635.07	474.91	401.81
Amount due to Capital Goods Vendor <sup>3</sup>	40.65	-	-
Employee related payables <sup>5</sup>	398.75	752.41	398.26
Other Payables <sup>6</sup>	182.45	64.28	149.86
	<b>1,256.92</b>	<b>1,291.60</b>	<b>949.93</b>

**Notes:**

- Refer note 40 for disclosure of related party balances as at each reporting dates.
- Refer note 37 for disclosure of fair values in respect of financial liabilities measured at amortised cost and analysis of their maturity profiles.
- Include amount payable to MSME Vendor Rs. 40.65 Lakhs
- Include amount payable to customer includes the amount received by the order of court dated 08th February 2019 against the bank guarantee i.e. 110% of the awarded amount and the same is under litigation and accordingly subject to final order by the Honourable High court of Delhi.
- Amount includes Director Remuneration.
- Others including Int on MSME Payables





**Kanohar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**
*(All amounts are in Indian ₹ lakh except share data and as stated)*
**22 Revenue from operations**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Revenue from sale of goods		
Manufactured Goods	37,377.84	14,056.32
Traded Goods	4,175.68	10,572.25
b) Revenue from sale of services		
Sale of Services	3,430.60	2,988.25
c) Other operating revenue		
Sale of scrap	77.11	52.13
	<b>45,061.23</b>	<b>27,668.95</b>

**Notes:**

- 1 Refer note 33 for disaggregation of revenue from operations and other disclosures as per Ind AS 115.

**23 Other income**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income	605.96	299.28
Other non-operating income		
- Foreign currency transactions and translations (net)	22.06	-
- Gain on sale of property, plant and equipment (net)	4.70	6.20
- Provision written back	30.78	54.63
- Miscellaneous income	4.77	82.98
	<b>668.27</b>	<b>443.09</b>

**24 Cost of materials consumed**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw materials, packing materials and components		
Opening stock	1,422.98	1,911.23
Add: Purchases	22,720.08	14,574.35
Less: Closing stock	2,142.86	1,422.98
	<b>22,000.20</b>	<b>15,062.60</b>

**25 Purchases of stock-in-trade**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases	3,667.99	8,144.83
	<b>3,667.99</b>	<b>8,144.83</b>

**26 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Inventories at the beginning of the year:		
Finished goods	3,208.95	546.51
Stock-in-trade	44.75	297.26
Work-in-progress	3,681.71	2,585.28
	<b>6,935.41</b>	<b>3,429.05</b>
b) Inventories at the end of the year:		
Finished goods	113.43	3,208.95
Stock-in-trade	107.92	44.75
Work-in-progress	1,969.64	3,681.71
	<b>2,190.99</b>	<b>6,935.41</b>
Net (increase) / decrease	<b>4,744.42</b>	<b>(3,506.36)</b>



**Kanohar Electricals Limited****Notes to the financial statements for the year ended March 31, 2025***(All amounts are in Indian ₹ lakh except share data and as stated)***27 Employee benefits expense**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages, bonus, commission and other benefits	2,262.90	2,170.11
Contribution to provident and other funds	103.54	102.61
Staff welfare expense	22.52	45.91
	<b>2,388.96</b>	<b>2,318.63</b>

**Notes:**

- 1 Refer note 40 for disclosures of related party transactions.
- 2 Refer note 35(a) and 35(b) for further disclosure related to employee benefit obligations.

**28 Finance cost**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on:		
- Loan from banks	120.11	107.70
- Loan from others	198.31	212.25
- lease liabilities	4.16	6.74
- on Statutory Dues	130.56	-
- MSME Payables	50.70	44.82
Other borrowing costs	435.70	276.74
	<b>939.54</b>	<b>648.25</b>

**29 Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 3)	227.45	257.49
Depreciation of right-of-use assets (refer note 4)	31.91	31.91
Amortisation of intangible assets (refer note 5)	30.10	27.22
	<b>289.46</b>	<b>316.62</b>





**Kanohar Electricals Limited****Notes to the financial statements for the year ended March 31, 2025***(All amounts are in Indian ₹ lakh except share data and as stated)***30 Other expenses**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Power and fuel	224.81	206.42
Consumption of Stores, Spares & Packing Material	60.97	50.16
Labour Job Work	92.25	62.16
Freight and forwarding	575.19	310.57
Lease rent <sup>1</sup>	43.49	49.83
Repair and maintenance:		
- Plant and machinery	211.35	97.92
- Buildings	63.54	21.50
- Others	46.62	34.71
Rates and taxes	172.64	120.98
Insurance	49.25	50.60
Advertisement and business promotion	38.71	13.00
Testing Expenses	157.53	522.04
Travelling and conveyance	177.63	170.52
Legal and professional charges	368.41	256.49
Payments to the auditors:		
- As statutory auditors	13.05	1.50
- For certification and other matters	-	0.71
Corporate social responsibility (refer note 39)	56.04	44.82
Foreign currency transactions and translations (net)	-	4.21
Professional Fees to director Including Sitting Fees	322.00	352.00
Warranty Expenses	55.44	36.12
Miscellaneous	190.92	135.70
	<b>2,919.84</b>	<b>2,541.96</b>

**Notes:**

- 1 Refer note 40 for disclosures of related party transactions.



31 Tax expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
The income tax expense consist of the following:		
Tax expense:		
Current tax	2,572.00	811.00
Income tax relating to earlier years	(2.05)	10.01
Deferred tax (net)	(310.89)	(10.02)
<b>Total tax expense recognised in statement of profit and loss (A)</b>	<b>2,259.06</b>	<b>810.99</b>
Tax impact recognised in other comprehensive income on remeasurement gain on defined benefit plans (C)	(3.58)	(4.96)
<b>Total (A+B+C)</b>	<b>2,255.48</b>	<b>806.03</b>

a) Reconciliation of tax expense applicable to loss before tax at the latest statutory enacted tax rate to income tax expense reported is as follows:

Profit for the year	8,779.08	2,585.51
At statutory income tax rate of 25.168%	25.168%	25.168%
	<b>2,209.52</b>	<b>650.72</b>
Adjustments on account of:		
Permanent Disallowance	47.65	22.26
Tax impact on Ind As conversion	-	136.00
Other adjustments	0.36	(12.96)
Income tax relating to earlier years	(2.05)	10.01
<b>Total tax expense</b>	<b>2,255.48</b>	<b>806.03</b>

b) Movement in deferred tax (assets)/liabilities for the year ended March 31, 2025:

Particulars	As at March 31, 2024	Charged/(credited) to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2025
Deferred tax liabilities on account of:				
Difference between written down value of property, plant and equipment and intangible assets as per books of accounts and income-tax	188.10	12.85	-	200.95
Right of use assets	16.06	(8.03)	-	8.03
Plan Assets	-	-	-	-
<b>Total deferred tax liabilities:</b>	<b>204.16</b>	<b>4.82</b>	<b>-</b>	<b>208.98</b>
Deferred tax assets on account of:				
Lease liabilities	16.73	(8.01)	-	8.72
Provision for employee benefits	25.32	(0.34)	3.58	28.57
Payment to MSME	11.70	12.77	-	24.46
MSME Payables	-	314.17	-	314.17
Provision for Warrantee	11.42	4.88	-	16.30
Provision/impairment for doubtful receivables, loans and advances	145.33	(7.75)	-	137.59
<b>Total deferred tax assets:</b>	<b>210.50</b>	<b>315.71</b>	<b>3.58</b>	<b>529.81</b>
<b>Net deferred tax liabilities/(assets) reflected in the balance sheet</b>	<b>(6.34)</b>	<b>(310.89)</b>	<b>(3.58)</b>	<b>(320.83)</b>

Movement in deferred tax (assets)/liabilities for the year ended March 31, 2024:

Particulars	As at April 1, 2023	Charged/(credited) to statement of profit and loss	(Charged)/credited to other comprehensive income	As at March 31, 2024
Deferred tax liabilities on account of:				
Difference between written down value of property, plant and equipment and intangible assets as per books of accounts and income-tax	196.84	(8.74)	-	188.10
Right of use of assets	24.09	(8.03)	-	16.06
Plan Assets	-	-	-	-
<b>Total deferred tax liabilities:</b>	<b>220.93</b>	<b>(16.77)</b>	<b>-</b>	<b>204.16</b>
Deferred tax assets on account of:				
Lease liabilities	24.09	(7.36)	-	16.73
Provision for employee benefits	17.07	3.29	4.96	25.32
Payment to MSME	0.42	11.28	-	11.70
Provision for Warrantee	11.64	(0.21)	-	11.42
Provision/impairment for doubtful receivables, loans and advances	159.08	(13.75)	-	145.33
<b>Total deferred tax assets:</b>	<b>212.30</b>	<b>(6.75)</b>	<b>4.96</b>	<b>210.50</b>
<b>Net deferred tax liabilities/(assets) reflected in the balance sheet</b>	<b>8.62</b>	<b>(10.02)</b>	<b>(4.96)</b>	<b>(6.34)</b>

32 Earning per share ('EPS')

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit for the year attributable to share holders	6,520.02	1,774.52
<b>Profit attributable to share holders</b>	<b>6,520.02</b>	<b>1,774.52</b>
Weighted average number of shares outstanding at the end of the year (in numbers)	37,22,000	37,22,000
<b>Weighted average number of shares adjusted for the effect of above outstanding at the end of the year (in numbers)</b>	<b>37,22,000</b>	<b>37,22,000</b>
Earning Per Share (in ₹)		
- Basic	175.18	47.68
- Diluted	175.18	47.68





**Kanohar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**
*(All amounts are in Indian ₹ lakh except share data and as stated)*
**33 Disclosures of revenue from contracts with customers as per Ind AS 115**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>A Reconciliation of revenue recognised in statement of profit and loss with contracted price</b>		
Revenue as per contracted price	45,061.23	27,668.95
Less: Rebates and discounts	-	-
<b>Total revenue from contract with customers</b>	<b>45,061.23</b>	<b>27,668.95</b>
<b>B Timing of revenue recognition</b>		
Goods transferred at a point in time	41,630.63	24,680.70
Services transferred at a point in time	3,430.60	2,988.25
<b>Total revenue from contract with customers</b>	<b>45,061.23</b>	<b>27,668.95</b>
<b>C Contract balances</b>		
- Contract assets	19,478.33	8,699.28
- Contract liabilities <sup>1</sup>	3,566.33	1,026.65
<p>1. a) The contract liabilities are in form advance received from customer for which the obligation of supply of goods and services is not completed at the year end and the transaction price allocated to remaining performance obligation (unsatisfied performance obligation) pertaining to sales of goods and services.</p> <p>b) Liquidated damages represents the estimated cost the Group is likely to incur during defect liability period as per the contract obligations and in respect of completed construction contracts accounted under Ind AS 115 "Revenue from contracts with customers".</p>		
<b>D Movement in contract liabilities</b>		
Opening balance of contract liabilities	1,026.65	1,592.73
Addition of contract liabilities for year	3,849.31	1,242.60
Amount of revenue recognised against opening contract liabilities	(1,309.63)	(1,808.68)
Closing balance of contract liabilities	<b>3,566.33</b>	<b>1,026.65</b>
<b>E Geographical Revenue</b>		
The Company's main revenue is from sale of transformers, transmission and distribution of electric power.		
<b>Revenue from external customers</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
India	45,061.23	27,668.95
Outside India	-	-
<b>Total revenue</b>	<b>45,061.23</b>	<b>27,668.95</b>

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**Kanohar Electricals Limited****Notes to the financial statements for the year ended March 31, 2025***(All amounts are in Indian ₹ lakh except share data and as stated)***34 Commitments and contingencies**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
(a) <b>Contingent liabilities (to the extent not provided for)^</b>			
Claims / suits filed against the company not acknowledged as debts			
Disputed tax liabilities in respect of pending cases:			
Value Added Tax	12.65	12.65	12.65
Goods & Services Tax	30.75	32.67	-
(b) <b>Guarantee including letter of credit</b>	21,456.77	15,563.19	13,438.40
(c) <b>Capital commitments</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for	594.83	-	-

^The amount mentioned above excludes the amount under protest.

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**35 Employee benefit obligations****a) Gratuity -defined benefit plans**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Company Limited with whom the plan assets are maintained.

**A. Policy for recognizing actuarial gains and losses:**

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. The defined benefit plan typically exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

**Interest rate risk**

A fall in the discount rate which is linked to the Government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Investment risk**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Longevity risk**

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Salary increase risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**B. The principal assumptions used for the purpose of the actuarial valuations for the funded plan were as follows:**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Discount rate	6.79%	7.21%	7.48%
Future salary increase	7.00%	7.00%	7.00%
Mortality rate	100% of IALM(2012-14)	100% of IALM(2012-14)	100% of IALM(2012-14)
Retirement Age	58.00	58.00	58.00
Attrition / Withdrawal rates			
- Upto 30 years	5.00	5.00	5.00
- 31 - 44 years	3.00	3.00	3.00
- Above 44 years	2.00	2.00	2.00

**C. Amounts recognised in the restated statement of profit and loss in respect of the defined benefit plan are as follows:**

Particulars	For the year ending March 31, 2025	For the year ending March 31, 2024
Current service cost	38.13	34.92
Interest cost	24.78	23.85
Interest income on plan assets(Expected)	(32.41)	(34.23)
<b>Total expense recognised in the statement of profit and loss</b>	<b>30.50</b>	<b>24.54</b>
<b>Components of defined benefit cost recognised in the Other Comprehensive Income</b>		
Actuarial (gains)/losses due to		
-change in demographic assumptions	-	-
-change in financial assumptions	(13.10)	(7.59)
-Experience Variance	(1.23)	(9.56)
Actuarial gain/(loss) for the year on Asset	0.09	(2.55)
	<b>(14.24)</b>	<b>(19.70)</b>

**D. The amount included in the Balance Sheet arising from the Company's obligation in respect of the its defined benefit plan is as follows:**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Present value of defined benefit obligation as at the end of the year	385.79	343.74	318.87
Fair value of plan assets as at the end of the year	463.46	449.58	457.66
<b>Net assets recognised in the balance sheet</b>	<b>77.67</b>	<b>105.84</b>	<b>138.79</b>



## E. Movements in the present value of the defined benefit obligation and fair value of plan assets are as follows

Particulars	For the year ending March 31, 2025	For the year ending March 31, 2024	As at April 1, 2023
<b>Change in defined benefit obligation</b>			
Present value of defined benefit obligation as at the beginning of the year	343.74	318.87	329.55
Current service cost	38.13	34.92	32.47
Interest cost	24.78	23.85	24.03
Benefits paid	(35.19)	(51.04)	(47.30)
Actuarial loss / (gain)	14.33	17.14	(19.88)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>385.79</b>	<b>343.74</b>	<b>318.87</b>
<b>Change in fair Value of plan assets</b>			
Fair Value of Plan Assets at beginning of the year	449.58	457.66	428.34
Employer Contribution	16.57	11.28	47.26
Expected Interest income of assets	33.78	33.07	30.86
Fund Management Charges	(1.28)	(1.39)	(1.50)
Benefits Pay-outs from plan	(35.19)	(51.04)	(47.30)
<b>Fair Value of assets at the end of the year</b>	<b>463.46</b>	<b>449.58</b>	<b>457.66</b>

## F. Maturity profile of defined benefit obligation

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Within next 1 year	27.01	22.18	24.48
Between 2-6 years	153.21	142.71	118.84
More than 6 years	205.57	178.85	175.55

- G. Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result are given as below:

<b>Discount rate</b>			
Decrease in defined benefit obligation if discount rate increases by 0.50%	(15.72)	(14.05)	(13.19)
Increase in defined benefit obligation if discount rate decreases by 0.50%	16.96	15.15	14.22
<b>Future salary increase</b>			
Increase in defined benefit obligation if salary increases by 0.50%	16.32	14.57	13.67
Decrease in defined benefit obligation if salary decreases by 0.50%	(15.27)	(13.64)	(12.87)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

## Defined contribution plan

Particulars	For the year ending March 31, 2025	For the year ending March 31, 2024
Employer's contribution to Gratuity Expense*	30.50	24.54

\*included in note 27 - Employee benefit expenses under 'Salary, wages, bonus, commission & other benefits'.

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## 35 Employee benefit obligations

## b) Earned Leave - long term employee benefit plan

## A. Policy for recognizing actuarial gains and losses:

Actuarial gains and losses of defined benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in other comprehensive income. The defined benefit plan typically exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

## Interest rate risk

A fall in the discount rate which is linked to the Government security rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

## Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

## Longevity risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

## Salary increase risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

## B. The principal assumptions used for the purpose of the actuarial valuations for the funded plan were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Discount rate	6.79%	7.21%	7.48%
Future salary increase	7.00%	7.00%	7.00%
Mortality rate	100% of IALM(2012-14)	100% of IALM(2012-14)	100% of IALM(2012-14)
Retirement Age	58.00	58.00	58.00
Attrition / Withdrawal rates			
- Upto 30 years	5.00	5.00	5.00
- 31 - 44 years	3.00	3.00	3.00
- Above 44 years	2.00	2.00	2.00
Rate of Leave Availment (per annum)	2.50%	2.50%	2.50%
Rate of Leave Encashment during employment (per annum)	5.00	5.00	5.00

## C. Amounts recognised in the restated statement of profit and loss in respect of the defined benefit plan are as follows.

Particulars	As at March 31, 2025	As at March 31, 2024
Current service cost	10.55	9.53
Interest cost	3.29	3.09
<b>Total expense recognised in the statement of profit and loss</b>	<b>13.84</b>	<b>12.62</b>
<b>Components of defined benefit cost recognised in the statement of profit and loss</b>		
Actuarial (gains)/losses due to		
-change in financial assumptions	1.67	0.94
-Experience Adjustment	5.33	3.94
	<b>6.99</b>	<b>4.89</b>

## D. The amount included in the Balance Sheet arising from the Company's obligation in respect of the its defined benefit plan is as follows.

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Present value of defined benefit obligation as at the end of the year	53.60	45.70	41.32
<b>Net liability recognised in the balance sheet</b>	<b>53.60</b>	<b>45.70</b>	<b>41.32</b>



E. Movements in the present value of the defined benefit obligation and fair value of plan assets are as follows

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
<b>Change in defined benefit obligation</b>			
Present value of defined benefit obligation as at the beginning of the year	45.70	41.32	39.71
Current service cost	10.55	9.53	8.40
Interest cost	3.29	3.09	2.89
Benefits paid	(12.93)	(13.13)	(13.79)
Actuarial loss / (gain)	6.99	4.89	4.11
<b>Present value of defined benefit obligation at the end of the year</b>	<b>53.60</b>	<b>45.70</b>	<b>41.32</b>

F. Maturity profile of defined benefit obligation

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Within next 1 year	14.27	12.17	10.43
Between 2-6 years	15.42	13.49	11.18
More than 6 years	23.92	20.03	19.71

G. Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result are given as below:

<b>Discount rate</b>			
Decrease in defined benefit obligation if discount rate increases by 0.50%	(1.97)	(1.72)	(1.67)
Increase in defined benefit obligation if discount rate decreases by 0.50%	2.14	1.84	1.81
<b>Future salary increase</b>			
Increase in defined benefit obligation if salary increases by 0.50%	2.12	1.83	1.80
Decrease in defined benefit obligation if salary decreases by 0.50%	(1.97)	(1.72)	(1.68)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Defined contribution plan**

Particulars	As at March 31, 2025	As at March 31, 2024
Employer's contribution to Leave Encashment*	20.84	17.51

\*included in note 27 - Employee benefit expenses under 'Salaries, wages, bonus, commission and other benefits'.

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**36 Disclosures as per Ind AS 37****1. Other provisions:**

The Company warrants that their products will perform in all material respects in accordance with the standard specifications during the warranty period. Provision for warranty is recognized for expected warranty claims on products sold which are under warranty as the end of current year. The table above gives information about movement in warranty provisions. The movement in the provision is as follows:

**Provision for warranty**

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Balance at the beginning of the year	45.39	46.23	46.23
Provision during the year	55.43	36.13	-
Utilised during the year	(36.04)	(36.97)	-
Balance at the end of the year	64.78	45.39	46.23

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37 Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As on March 31, 2025

Particulars	Carrying value				Fair value measurement inputs		
	Note	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
- Other financial assets	7	-	1,987.29	1,987.29	-	-	1,987.29
<b>Current</b>							
- Trade receivables*	11	-	19,478.33	19,478.33	-	-	19,478.33
- Cash and cash equivalents*	12	-	25.56	25.56	-	-	25.56
- Bank balances other than cash and cash equivalents*	13	-	8,541.98	8,541.98	-	-	8,541.98
- Loans*	6	-	4.26	4.26	-	-	4.26
- Other financial assets*	7	-	3,809.50	3,809.50	-	-	3,809.50
<b>Total</b>		-	33,846.92	33,846.92	-	-	33,846.92
<b>Financial liabilities</b>							
<b>Non-current</b>							
- Lease liabilities#	4	-	-	-	-	-	-
- Other financial liabilities	21	-	1,170.87	1,170.87	-	-	1,170.87
- Borrowings#	16	-	603.40	603.40	-	-	603.40
<b>Current</b>							
- Borrowings#	16	-	2,623.10	2,623.10	-	-	2,623.10
- Lease liabilities#	4	-	34.64	34.64	-	-	34.64
- Trade payables*	20	-	7,251.81	7,251.81	-	-	7,251.81
- Other financial liabilities*	21	-	1,256.92	1,256.92	-	-	1,256.92
<b>Total</b>		-	12,940.74	12,940.74	-	-	12,940.74

(ii) As on March 31, 2024

Particulars	Carrying value				Fair value measurement inputs		
	Note	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
- Other financial assets	7	-	6,761.31	6,761.31	-	-	6,761.31
<b>Current</b>							
- Trade receivables*	11	-	8,699.28	8,699.28	-	-	8,699.28
- Cash and cash equivalents*	12	-	5.50	5.50	-	-	5.50
- Bank balances other than cash and cash equivalents*	13	-	2,962.21	2,962.21	-	-	2,962.21
- Loans*	6	-	11.83	11.83	-	-	11.83
- Other financial assets*	7	-	1,414.33	1,414.33	-	-	1,414.33
<b>Total</b>		-	19,854.46	19,854.46	-	-	19,854.46
<b>Financial liabilities</b>							
<b>Non Current</b>							
- Lease liabilities#	4	-	30.48	30.48	-	-	30.48
- Other financial liabilities	21	-	1,170.87	1,170.87	-	-	1,170.87
- Borrowings#	16	-	61.07	61.07	-	-	61.07
<b>Current</b>							
- Borrowings#	16	-	4,146.61	4,146.61	-	-	4,146.61
- Lease liabilities#	4	-	36.00	36.00	-	-	36.00
- Trade payables**	20	-	5,912.34	5,912.34	-	-	5,912.34
- Other financial liabilities*	21	-	1,291.60	1,291.60	-	-	1,291.60
<b>Total</b>		-	12,648.97	12,648.97	-	-	12,648.97

(iii) As at April 1, 2023

Particulars	Carrying value				Fair value measurement inputs		
	Note	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
- Other financial assets	7	-	4,624.00	4,624.00	-	-	4,624.00
<b>Current</b>							
- Trade receivables*	11	-	8,643.39	8,643.39	-	-	8,643.39
- Cash and cash equivalents*	12	-	1,722.58	1,722.58	-	-	1,722.58
- Bank balances other than cash and cash equivalents*	13	-	2,295.76	2,295.76	-	-	2,295.76
- Loans*	6	-	19.80	19.80	-	-	19.80
- Other financial assets*	7	-	1,284.83	1,284.83	-	-	1,284.83
<b>Total</b>		-	18,590.36	18,590.36	-	-	18,590.36
<b>Financial liabilities</b>							
<b>Non-current</b>							
- Lease liabilities#	4	-	59.73	59.73	-	-	59.73
- Other financial liabilities	21	-	-	-	-	-	-
- Borrowings#	16	-	39.79	39.79	-	-	39.79
<b>Current</b>							
- Borrowings#	16	-	2,321.72	2,321.72	-	-	2,321.72
- Lease liabilities#	4	-	36.00	36.00	-	-	36.00
- Trade payables*	20	-	6,808.54	6,808.54	-	-	6,808.54
- Other financial liabilities*	21	-	949.93	949.93	-	-	949.93
<b>Total</b>		-	10,215.71	10,215.71	-	-	10,215.71





\* The Company's borrowings and lease liabilities have fair values that approximate to their carrying amounts as they are based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

\* The carrying amounts of trade receivables, loans, cash and cash equivalents, other current financial assets, loans, trade payables, and other financial liabilities approximates the fair values, due to their short-term nature.

**Other notes:**

There has been no transfer between level 1, level 2 and level 3 for the year ended March 31, 2025 and year ended March 31, 2024.

**Description of significant unobservable inputs to valuations for material investments for level 3 items for the year ended March 31, 2025, year ended March 31, 2024 and as at April 1, 2023:**

Significant unobservable inputs	Relationship of unobservable inputs to fair value
Weighted average cost of capital (WACC)	A slight change in the WACC used in isolation would result in change in fair value.

**Valuation techniques used to determine fair values:**

Specific valuation techniques used to value financial instruments include:

-The use of quoted market prices or dealer quotes for similar instruments.

-The fair value of financial instrument that are not traded in an active market is determined using valuation technique. The Company uses its judgement to select a method and make assumptions that are mainly based on market conditions existing at the end of each reporting year.

**b. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk.

**Risk management framework**

The Board of Directors is responsible for reviewing the risk management policies and ensuring its effectiveness.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in the market conditions and the business activities. The Board of Directors oversees how management monitors compliance risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the business.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks, to set appropriate risk limits and controls, and to monitor risk and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the business activities.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans and financial assets measured at amortised cost	Ageing analysis	Bank deposits, diversification of asset base, and credit limits.
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk			
- Interest risk	Borrowings	Sensitivity analysis	
- Currency risk	Trade receivables and trade payables	Sensitivity analysis	
- Price risk	Investments in equity and other securities	Sensitivity analysis	

**i. Credit risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
(i) Investments	-	-	-
(ii) Loans	4.26	11.83	19.80
(iii) Trade receivables	19,478.33	8,699.28	8,643.39
(iv) Cash and cash equivalents	25.56	5.50	1,722.58
(v) Bank balances other than cash and cash equivalents	8,541.98	2,962.21	2,295.76
(vi) Other financial assets	5,796.79	8,175.64	5,908.83

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents and bank deposits (shown under bank balances other than cash and cash equivalents, above) and other financial assets is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The Company closely monitors the credit-worthiness of the receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts.

**Expected credit loss with respect to Trade Receivables & Retention Money with Customer**

With respect to Trade Receivables & Retention Money with Customer, based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss.

Changes in the loss allowance in respect of Trade Receivables & Retention Money with Customer	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Balance at the beginning of the year	577.45	632.08	632.08
Movement for allowance for expected credit loss	(30.78)	(54.63)	-
Balance at the end of the year	546.67	577.45	632.08

Trade receivables - Exposure to credit risk by geographic region	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
India	19,478.33	8,699.28	8,643.39
Other regions	-	-	-
Total	19,478.33	8,699.28	8,643.39



**Kanshar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Indian ₹ lakh except share data and as stated)

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed banks, and has unused lines of credit that could be drawn upon, should there be a need. The Company invests its surplus funds in bank fixed deposits and liquid investments.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts are gross and undiscounted, and include contractual interest payments. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2025		Contractual cash flows				
Non-derivative financial liabilities	Carrying amount	On demand	0-1 year	1-5 years	>5 years	Total
(i) Borrowings	3,226.50	-	2,623.10	474.48	128.92	3,226.50
(ii) Lease liabilities	34.64	-	36.00	-	-	36.00
(iii) Trade payables	7,251.81	-	7,251.81	-	-	7,251.81
(iv) Other financial liabilities	2,427.79	-	1,256.92	1,170.87	-	2,427.79
	12,940.74	-	11,167.83	1,645.35	128.92	12,942.10

As at March 31, 2024		Contractual cash flows				
Non-derivative financial liabilities	Carrying amount	On demand	0-1 year	1-5 years	>5 years	Total
(i) Borrowings	4,207.68	-	4,146.61	61.07	-	4,207.68
(ii) Lease liabilities	66.48	-	36.00	36.00	-	72.00
(iii) Trade payables	5,912.34	-	5,912.34	-	-	5,912.34
(iv) Other financial liabilities	2,462.47	-	1,291.60	1,170.87	-	2,462.47
	12,648.97	-	11,386.55	1,267.94	-	12,654.49

As at April 1, 2023		Contractual cash flows				
Non-derivative financial liabilities	Carrying amount	On demand	0-1 year	1-5 years	>5 years	Total
(i) Borrowings	2,361.51	-	2,321.72	39.79	-	2,361.51
(ii) Lease liabilities	95.73	-	36.00	72.00	-	108.00
(iii) Trade payables	6,808.54	-	6,808.54	-	-	6,808.54
(iv) Other financial liabilities	949.93	-	949.93	-	-	949.93
	10,215.71	-	10,116.19	111.79	-	10,227.98

**(iii) Market risk**

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including cash and cash equivalents, foreign currency receivables and payables. The Company's is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing activities and revenue generating and operating activities in foreign currencies.

**a. Exposure to interest rate risk**

The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting year are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Variable rate borrowings	3,165.71	3,139.57	1,771.86

**Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

- Impact on profit	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest rates – increase by 100 basis points	(31.66)	(31.40)
Interest rates – decrease by 100 basis points	31.66	31.40
- Impact on other equity	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest rates – increase by 100 basis points	(23.69)	(23.49)
Interest rates – decrease by 100 basis points	23.69	23.49





b. Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to Foreign currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in ₹ are as below:

All amounts in respective currencies as mentioned (in lakhs)

Particulars	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount (in foreign currency)	Amount (in ₹)	Amount (in foreign currency)	Amount (in ₹)
Financial liabilities	USD				
Trade payables		0.16	13.26	0.16	12.92
Total financial liabilities		0.16	13.26	0.16	12.92

All amounts in respective currencies as mentioned (in lakhs)

Particulars	Currency	As at April 1, 2023	
		Amount (in foreign currency)	Amount (in ₹)
Financial liabilities	USD		
Trade payables		2.77	227.48
Total financial liabilities		2.77	227.48

Sensitivity analysis

The following table details the Company's sensitivity to a 5% increase in the ₹ against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ increases 5% against the relevant currency.

5% loss on account of devaluation/5% loss on account of appreciation in ₹ against following foreign currencies:

Trade payables*	For the year ended March 31, 2025	For the year ended March 31, 2024
- Impact on profit		
USD	0.66	0.65
- Impact on other equity		
USD	0.50	0.48

\* A 5% decrease in the ₹ against the above currencies as at March 31, 2025 and March 31, 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

38 Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain stakeholders' confidence. The Company monitors capital using a ratio of 'Net Debt' to 'Total Equity'. For this purpose, Net Debt is defined as total borrowings less cash and cash equivalents, other bank balances and non-lien bank deposits. Total equity comprises of equity share capital and other equity. The Company is not subject to any externally imposed capital requirements. During the period/year, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

The net debt to total equity ratio is as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	As at April 1, 2023
Borrowings	3,226.50	4,207.68	2,361.51
Total borrowings (a)	3,226.50	4,207.68	2,361.51
Less: Cash and cash equivalents	25.56	5.50	1,722.58
Less: Other bank balances	5,140.47	-	-
Total (b)	5,166.03	5.50	1,722.58
Net debt (a-b)	(1,939.53)	4,202.18	638.93
Equity share capital	401.48	401.48	401.48
Other equity	23,921.12	17,411.76	15,651.98
Total equity	24,322.60	17,813.24	16,053.46
Net debt to total equity ratio	(0.08)	0.24	0.04



**39 Details of Corporate Social Responsibility ('CSR') expenditure**

In accordance with the provisions of section 135 of the Act, CSR spent is at least two percent of average net profits made during the three immediately preceding financial years in pursuance of its CSR policy, shall be ensured. Basis the recommendation of CSR committee, the Board of Directors of the Company had approved various 'Ongoing projects' for carrying out CSR activities as per the Schedule VII of the Act. Details of the same as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent during the year	56.04	44.82
Amount of expenditure incurred on during the year :		
- (i) Construction/acquisition an asset	-	-
- (ii) On purposes other than (i) above		88.30
		<u>88.30</u>
Shortfall/(excess) carried forward to the next year	<u>56.04</u>	<u>(43.48)</u>
Amount recognised in the statement of profit and loss	56.04	44.82

**Reason for shortfall/ Excess:**

For FY 2024-25, the shortfall amount deposited in Separate account in April 2025

For FY 2023-24, the excess amount spent related to unspent amount upto 31st March 2023

**Nature of CSR activities:**

Creation of employment in Meerut by increasing GDP' and 'Secondary and Higher Education Post NEP 2020 with special focus to Meerut District

**Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount for ongoing projects:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent during the year	56.04	44.82
Amount spent during the year	-	88.30
Amount deposited in Separate account in April 2025	56.04	-
Closing unspent/(excess) spent balance	<u>56.04</u>	<u>(43.48)</u>

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## 40 Related party disclosures

## (i) Names of related parties and nature of relationship

## (a) Key managerial personnel:

Mr Dinesh Singhal	Managing Director
Mr Adesh Singhal	Whole Time Director
Mr Brijesh Singhal	Whole Time Director
Mr Vivek Singhal	Whole Time Director
Mr Abhishek Singhal	Whole Time Director

## (b) Close Member of key managerial personnel, with whom there are transactions during the year:

Mr Pranav Singhal	Son of Mr Vivek Singhal
Mr Prakhhar Singhal	under the guardianship of Mr Vivek Singhal
Mr Akshita Singhal	under the guardianship of Mr Abhishek Singhal
Mr Ishita Singhal	under the guardianship of Mr Abhishek Singhal
Mr Virat Singhal	Son of Mr Adesh Singhal
Mr Aditya Singhal	Son of Mr Adesh Singhal

## (c) Enterprise over which key management personnel is having significant influence:

Virat Singhal & Associates  
 Aditya Singhal & Associates  
 Kanoor International (P) Ltd,  
 Ganpati Softech (P) Ltd  
 North Star Furniture & Fixtures (P) Ltd  
 K-Sons Family Trust

## (ii) Transactions with related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(a) Rent Expenses</b>		
Enterprise over which key management personnel is having significant influence		
Ganpati Softech (P) Ltd*	36.00	36.00
North Star Furniture & Fixtures (P) Ltd	18.00	18.00
<b>Key Managerial Personnel and their Close Members</b>		
Brijesh Singhal	3.00	3.00
* amount pertaining to Lease accounted as per Ind AS 116		
	<b>57.00</b>	<b>57.00</b>
<b>(b) Fee for technical services</b>		
Enterprise over which key management personnel is having significant influence		
Ganpati Softech (P) Ltd	28.32	28.32
	<b>28.32</b>	<b>28.32</b>
<b>(c) Professional Charges</b>		
Enterprise over which key management personnel is having significant influence		
Virat Singhal and Associates	68.94	104.68
Aditya Singhal and Associates	68.68	104.08
	<b>137.62</b>	<b>208.76</b>
<b>(d) Remuneration</b>		
<b>Key managerial personnel:</b>		
Mr Dinesh Singhal	82.80	82.80
Mr Adesh Singhal	82.80	82.80
Mr Brijesh Singhal	82.80	82.80
Mr Vivek Singhal	81.00	81.00
Mr Abhishek Singhal	81.00	81.00
	<b>410.40</b>	<b>410.40</b>
<b>(e) Interest Expenses</b>		
Enterprise over which key management personnel is having significant influence		
Kanoor International (P) Ltd	6.29	8.16
<b>Key Managerial Personnel and their Close Members</b>		
Dinesh Singhal	154.83	135.73
Pranav Singhal S/o Mr Vivek Singhal	6.34	7.70
Prakhhar Singhal U/g Mr Vivek Singhal	6.00	7.32
Akshita Singhal U/g Mr Abhishek Singhal	7.03	8.58
Ishita Singhal U/g Mr Abhishek Singhal	7.03	8.58
	<b>187.52</b>	<b>176.07</b>



## (f) Loan taken

## Key Managerial Personnel and their Close Members

Dinesh Singhal	1,144.00	1,324.00
Pranav Singhal S/o Mr Vivek Singhal	-	3.08
	<u>1,144.00</u>	<u>1,327.08</u>

## (g) Loan Repaid including of interest expenses

## Key Managerial Personnel and their Close Members

Dinesh Singhal	1,867.50	1,050.00
Pranav Singhal S/o Mr Vivek Singhal	77.14	-
Prakhar Singhal U/g Mr Vivek Singhal	72.99	-
Akshita Singhal U/g Mr Abhishek Singhal	85.55	-
Ishita Singhal U/g Mr Abhishek Singhal	85.55	-

## Enterprise over which key management personnel is having significant influence

Kanoor International (P) Ltd.	81.01	-
	<u>2,269.73</u>	<u>1,050.00</u>

## (h) Professional Fees to director Including Sitting Fees

## Key managerial personnel:

Mr Dinesh Singhal	74.00	80.00
Mr Adesh Singhal	74.00	80.00
Mr Brijesh Singhal	26.00	32.00
Mr Vivek Singhal	74.00	80.00
Mr Abhishek Singhal	74.00	80.00
	<u>322.00</u>	<u>352.00</u>

## (iii) Year end balances

Particular	31 March 2025	31 March 2024	1 April 2023
------------	---------------	---------------	--------------

## (a) Unsecured Loan

## Enterprise over which key management personnel is having significant influence

Kanoor International (P) Ltd.	-	75.34	68.00
	<u>-</u>	<u>75.34</u>	<u>68.00</u>

## Key Managerial Personnel and their Close Members

Mr Dinesh Singhal	-	584.15	188.00
Pranav Singhal S/o Mr Vivek Singhal	-	71.43	61.42
Prakhar Singhal U/g Mr Vivek Singhal	-	67.59	61.00
Akshita Singhal U/g Mr Abhishek Singhal	-	79.22	71.50
Ishita Singhal U/g Mr Abhishek Singhal	-	79.22	71.50
	<u>-</u>	<u>881.61</u>	<u>453.42</u>

## (b) Payable to director\*

## Key managerial personnel:

Mr Dinesh Singhal	63.99	136.24	59.99
Mr Adesh Singhal	52.51	132.56	62.79
Mr Brijesh Singhal	33.97	60.92	19.19
Mr Vivek Singhal	50.58	129.66	63.28
Mr Abhishek Singhal	2.60	126.41	59.06
	<u>203.65</u>	<u>585.79</u>	<u>264.31</u>

\*This include amount payable on account of salary, professional fees and sitting fees

## (c) Trade Payable

## Enterprise over which key management personnel is having significant influence

Ganpati Softech (P) Ltd	28.36	72.28	5.56
North Star Furniture & Fixtures (P) Ltd	6.10	15.55	1.35
Virat Singhal and Associates	5.43	27.37	-
Aditya Singhal and Associates	6.63	33.03	-
	<u>46.52</u>	<u>148.23</u>	<u>6.91</u>

## (d) Advances to suppliers

## Enterprise over which key management personnel is having significant influence

Virat Singhal and Associates	-	-	11.16
Aditya Singhal and Associates	-	-	6.37
	<u>-</u>	<u>-</u>	<u>17.53</u>





#### 41.01 First-time adoption of Ind-AS

These financial statements, for the year ended 31 March 2025, are the first financial statements of the Company which has been prepared in accordance with Ind AS for periods up to and including the year ended 31 March 2024, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2025, together with the comparative period data as at and for the year ended 31 March 2024, as described in the summary of material accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2023, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2023 and the financial statements as at and for the year ended 31 March 2024.

Particulars	As at March 31, 2024					
	Notes	Previous GAAP	Reclassifications	Remeasurement	Rectification of errors	Ind AS
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipment	A1	2,394.29	(0.01)	-	(4.02)	2,390.26
Capital work-in-progress		-	-	-	-	-
Right of Use Assets	A2	-	-	63.82	-	63.82
Intangible assets	A1	162.77	-	-	(13.44)	149.33
Financial assets						
- Other financial assets	A1, A3	-	6,825.73	-	(64.42)	6,761.31
Income Tax Assets	A3	-	4.99	-	-	4.99
Deferred tax assets (net)	A3	-	6.35	-	-	6.35
Other Non current Assets	A3	6,289.06	(6,286.56)	-	-	2.50
<b>Total non-current assets</b>		<b>8,846.12</b>	<b>550.50</b>	<b>63.82</b>	<b>(81.88)</b>	<b>9,378.56</b>
<b>Current assets</b>						
Inventories	A4	6,616.59	-	1,752.93	-	8,369.52
Financial assets						
- Investments	A3	2.89	(2.89)	-	-	-
- Trade receivables	A3, A5	11,611.22	9.56	(2,921.50)	-	8,699.28
- Cash and cash equivalents	A3	4,604.45	(4,598.95)	-	-	5.50
- Bank balances other than cash and cash equivalents	A3	-	2,962.21	-	-	2,962.21
- Loans	A3	211.61	(199.78)	-	-	11.83
- Other financial assets	A3, A5	-	1,285.92	128.41	-	1,414.33
Other current assets	A1, A3	1,218.93	290.19	-	(62.87)	1,446.25
<b>Total current assets</b>		<b>24,265.69</b>	<b>(253.75)</b>	<b>(1,040.15)</b>	<b>(62.87)</b>	<b>22,908.92</b>
<b>Total assets</b>		<b>33,111.81</b>	<b>296.75</b>	<b>(976.33)</b>	<b>(144.75)</b>	<b>32,287.48</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Equity share capital		401.48	-	-	-	401.48
Other equity	41.04	18,815.27	-	(834.27)	(569.24)	17,411.76
<b>Total equity</b>		<b>19,216.75</b>	<b>-</b>	<b>(834.27)</b>	<b>(569.24)</b>	<b>17,813.24</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Financial liabilities						
- Borrowings	A1, A3	1,009.48	(949.02)	-	0.61	61.07
- Lease liabilities	A2	-	-	30.48	-	30.48
- Other financial liabilities	A3	-	1,170.87	-	-	1,170.87
Provisions	A3	-	33.52	-	-	33.52
Deferred tax liabilities (net)	A3, A6	154.37	6.35	(160.72)	-	-
Other non-current liabilities	A3	1,617.16	(1,617.16)	-	-	-
<b>Total non-current liabilities</b>		<b>2,781.01</b>	<b>(1,355.45)</b>	<b>(130.23)</b>	<b>0.61</b>	<b>1,295.94</b>
<b>Current liabilities</b>						
Financial liabilities						
- Borrowings	A3	3,125.76	1,020.85	-	-	4,146.61
- Lease liabilities	A2	-	-	36.00	-	36.00
- Trade payables		-	-	-	-	-
- total outstanding dues of micro and small enterprises; and	A3	709.15	36.26	-	-	745.41
- total outstanding dues of creditors other than micro and small enterprises	A1, A3	5,839.07	(672.11)	-	(0.03)	5,166.93
- Other financial liabilities	A1, A3	-	1,530.88	(16.60)	(222.68)	1,291.60
Other current liabilities	A1, A3	1,198.84	(227.71)	-	601.21	1,572.34
Provisions	A1, A3	241.25	(197.83)	(31.23)	45.39	57.56
Current tax liabilities (net)	A3	-	161.85	-	-	161.85
<b>Total current liabilities</b>		<b>11,114.05</b>	<b>1,652.20</b>	<b>(11.83)</b>	<b>423.88</b>	<b>13,178.30</b>
<b>Total equity and liabilities</b>		<b>33,111.81</b>	<b>296.75</b>	<b>(976.33)</b>	<b>(144.75)</b>	<b>32,287.48</b>



Particulars	As at April 1, 2023					
	Notes	Previous GAAP	Reclassifications	Remeasurement	Rectification of errors	Ind AS
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipment	A1	2,481.49	-	-	(4.02)	2,477.47
Capital work-in-progress	A2	-	-	-	-	-
Right of Use Assets	A1	-	-	95.73	-	95.73
Intangible assets		162.73	-	-	(12.03)	150.70
Financial assets	A1, A3	-	4,681.60	-	(57.60)	4,624.00
- Other financial assets	A3	-	4.99	-	-	4.99
Income Tax Assets	A3	4,801.83	(4,797.87)	-	-	3.96
Other Non-current Assets	A3	-	-	-	-	-
<b>Total non-current assets</b>		<b>7,446.05</b>	<b>(111.28)</b>	<b>95.73</b>	<b>(73.65)</b>	<b>7,356.85</b>
<b>Current assets</b>						
Inventories	A4	5,351.87	-	-	-	5,351.87
Financial assets						
- Investments	A3	2.89	(2.89)	-	-	-
- Trade receivables	A3, A5	8,857.03	2.44	(216.08)	-	8,643.39
- Cash and cash equivalents	A3	5,170.88	(3,448.30)	-	-	1,722.58
- Bank balances other than cash and cash equivalents	A3	-	2,295.76	-	-	2,295.76
- Loans	A3	831.09	(811.29)	-	-	19.80
- Other financial assets	A3, A5	-	1,572.04	(287.21)	-	1,284.83
Other current assets	A1, A3	1,626.66	282.99	-	(60.28)	1,849.37
<b>Total current assets</b>		<b>21,840.42</b>	<b>(109.25)</b>	<b>(503.29)</b>	<b>(60.28)</b>	<b>21,167.60</b>
<b>Total assets</b>		<b>29,286.47</b>	<b>(220.53)</b>	<b>(407.56)</b>	<b>(133.92)</b>	<b>28,524.45</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Equity share capital		401.48	-	-	-	401.48
Other equity	41.04	16,750.48	-	(331.67)	(766.82)	15,651.98
<b>Total equity</b>		<b>17,151.96</b>	<b>-</b>	<b>(331.67)</b>	<b>(766.82)</b>	<b>16,053.46</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Financial liabilities						
- Borrowings	A1, A3	551.37	(532.78)	-	1.20	39.79
- Lease liabilities	A2	-	-	59.73	-	59.73
- Other financial liabilities	A3	-	-	-	-	-
Provisions	A3	-	30.89	-	-	30.89
Deferred tax liabilities (net)	A3, A6	179.13	-	(170.50)	-	8.63
Other non-current liabilities	A3	477.43	(477.43)	-	-	-
<b>Total non-current liabilities</b>		<b>1,207.93</b>	<b>(959.32)</b>	<b>(110.77)</b>	<b>1.20</b>	<b>139.04</b>
<b>Current liabilities</b>						
Financial liabilities						
- Borrowings	A3	1,499.22	822.50	-	-	2,321.72
- Lease liabilities	A2	-	-	36.00	-	36.00
- Trade payables						
- total outstanding dues of micro and small enterprises; and	A3	782.23	4.32	-	-	786.55
- total outstanding dues of creditors other than micro and small enterprises	A1, A3	6,260.92	(238.72)	-	(0.21)	6,021.99
- Other financial liabilities	A1, A3	-	1,025.55	-	(75.62)	949.93
Other current liabilities	A1, A3	2,292.31	(840.04)	-	661.31	2,113.58
Provisions	A1, A3	91.90	(80.35)	(1.12)	46.23	56.66
Current tax liabilities (net)	A3	-	45.52	-	-	45.52
<b>Total current liabilities</b>		<b>10,926.58</b>	<b>738.78</b>	<b>34.88</b>	<b>631.70</b>	<b>12,331.95</b>
<b>Total equity and liabilities</b>		<b>29,286.47</b>	<b>(220.53)</b>	<b>(407.56)</b>	<b>(133.92)</b>	<b>28,524.45</b>

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## 41.02 Effect of Ind AS Adoption on Total Comprehensive Income

Particulars	Year ended 31 March 2024					
	Notes	Previous GAAP	Reclassifications	Remeasurement	Rectification of errors	Ind AS
<b>Income</b>						
Revenue from operations	A1, A4	30,163.81	-	(2,300.18)	(194.68)	27,668.95
Other income	A1, A3	288.09	(246.72)	0.01	401.71	443.09
<b>Total income</b>		<b>30,451.90</b>	<b>(246.72)</b>	<b>(2,300.17)</b>	<b>207.03</b>	<b>28,112.04</b>
<b>Expenses</b>						
Cost of materials consumed	A3	14,899.94	162.66	-	-	15,062.60
Purchases of stock-in-trade		8,144.83	-	-	-	8,144.83
Changes in inventories of finished goods, work-in-progress and stock-in-trade	A4	(1,753.43)	-	(1,752.93)	-	(3,506.36)
Employee benefits expense	A3, A7	2,330.69	(6.49)	(5.57)	-	2,318.63
Finance costs	A1, A2	597.26	-	6.74	44.24	648.25
Depreciation and amortisation expense	A1, A2	282.63	-	31.91	2.08	316.62
	A1, A3,					
	A4, A5	3,088.29	(402.89)	(107.23)	(36.20)	2,541.96
<b>Total expenses</b>		<b>27,590.21</b>	<b>(246.72)</b>	<b>(1,827.08)</b>	<b>10.12</b>	<b>25,526.53</b>
<b>Total expenses</b>						
<b>Profit before tax</b>		<b>2,861.69</b>	<b>-</b>	<b>(473.09)</b>	<b>196.91</b>	<b>2,585.51</b>
<b>Tax expense</b>						
a) Current tax		811.00	-	-	-	811.00
b) Income tax relating to earlier years	A1	-	-	-	10.01	10.01
b) Deferred tax (net)	A1, A6	(26.17)	-	9.78	6.37	(10.02)
<b>Total tax expense</b>		<b>784.83</b>	<b>-</b>	<b>9.78</b>	<b>16.38</b>	<b>810.99</b>
<b>Profit for the year</b>		<b>2,076.86</b>	<b>-</b>	<b>(482.88)</b>	<b>180.54</b>	<b>1,774.52</b>
<b>Other comprehensive income ('OCI')</b>						
<b>Items that will not be reclassified to profit or loss</b>						
- Remeasurements of net defined benefit liability/(asset)	A7	-	-	(19.70)	-	(19.70)
- Income tax relating to items that will not be reclassified to profit or loss	A7	-	-	4.96	-	4.96
		-	-	(14.74)	-	(14.74)
<b>Total other comprehensive income for the year</b>		<b>2,076.86</b>	<b>-</b>	<b>(497.62)</b>	<b>180.54</b>	<b>1,759.78</b>

## 41.03 Cash flow reconciliation

Particulars	Year ended 31 March 2024		
	Previous GAAP	Ind AS Adjustment	Ind AS
Net cash flows from operating activities	(2,248.86)	617.78	(1,631.08)
Net cash flows used in investing activities	(189.93)	(1,109.82)	(1,299.75)
Net cash flows from financing activities	1,872.36	(658.60)	1,213.76
Net increase/(decrease) in cash and cash equivalents	(566.43)	(1,150.64)	(1,717.07)
Cash and cash equivalents at the April 01, 2023	5,170.88	(3,448.30)	1,722.58
Cash and cash equivalents at the March 31, 2024	4,604.45	(4,598.95)	5.50



41.04 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

Description	Year ended 31 March 2024
<b>Net Profit for the year as per previous GAAP (Indian GAAP)</b>	<b>2,076.86</b>
<b>Ind AS adjustments:</b>	
Adjustment made for Provision for Gratuity recognition as per Ind AS 19	(24.54)
Adjustment made for Provision for Leave encashment recognition as per Ind AS 19	30.11
Adjustment made for ECL provision reverse as per Ind AS 109	54.63
Adjustment made for depreciation on Right of Use Assets as per Ind AS 116	(31.91)
Adjustment made for derecognition of rent as per Ind AS 116	36.00
Adjustment made for interest on lease liabilities as per Ind AS 116	(6.74)
Adjustment made for Sale Reversal as per Ind AS 115	(530.65)
Adjustment made for Ind AS 12 deferred Tax	(9.78)
<b>Rectification of Error adjustments:</b>	
Adjustment made for excess CSR recognised	43.48
Adjustment made for excess recognition of Intangible Assets	(1.41)
Adjustment made for derecognition of Assets & Liabilities	(9.42)
Adjustment made for recognition of provision warranty	0.84
Adjustment made for recognition of provision for liquidated damages	61.44
Adjustment made for related to recognition income in next year	147.06
Adjustment made for Interest on MSME	(44.82)
Adjustment made for on interest accrued	(0.29)
Adjustment made for on previous year interest recognised	0.87
Adjustment made for recognising income tax relating to previous year	(10.01)
Adjustment made for recognising deferred tax relating to previous year	(6.37)
Adjustment made for not recognition of Foreign Currency fluctuation	(0.18)
Other Adjustments	(0.66)
<b>Net profit for the year as per Ind AS</b>	<b>1,774.52</b>
<b>Other comprehensive income, net of tax</b>	
Gain on remeasurements of post-employment benefit obligation (net of tax)	(14.74)
<b>Total comprehensive profit/loss for the year</b>	<b>1,759.78</b>





41.05 The reconciliation of equity reported in accordance with Indian GAAP to equity in accordance with Ind AS is given below:

Description	As at March 31, 2024	As at April 1, 2023
Shareholder's equity for the year as per previous IGAAP	18,815.27	16,750.48
<b>Ind AS adjustments:</b>		
Adjustment made for ECL provision as per Ind AS 109	54.63	(632.08)
Adjustment made for Provision for leave encashment recognition as per Ind AS 19	30.11	1.12
Adjustment made for Provision for gratuity recognition as per Ind AS 19	(24.54)	128.79
Adjustment made for Ind AS 12 deferred Tax	(9.78)	170.50
Adjustment made for depreciation on Right of Use Assets as per Ind AS 116	(31.91)	-
Adjustment made for derecognition of rent as per Ind AS 116	36.00	-
Adjustment made for Sale Reversal as per Ind AS 115	(530.65)	-
Adjustment made for interest on lease liabilities as per Ind AS 116	(6.74)	-
Gain on remeasurements of post-employment benefit obligation (net of tax)	(19.70)	-
<b>Rectification of Error adjustments:</b>		
Adjustment made for related to recognition income in next year	147.06	-
Adjustment made for recognition of provision warranty	0.84	(46.23)
Adjustment made for recognition of provision for liquidated damages	61.44	(626.17)
Adjustment made for Interest on MSME	(44.82)	(1.66)
Adjustment made for accounting error related to derecognition of Land as they don't have title deed	-	(4.02)
Adjustment made for accounting error related to derecognition of advance for Sale of Property	-	10.00
Adjustment made for not recognition of Foreign Currency fluctuation	(0.18)	0.21
Adjustment made for accounting error on excess CSR recognised	43.48	(43.48)
Adjustment made for accounting error on excess recognition of Intangible Assets	(1.41)	(12.03)
Adjustment made for derecognition of Assets & Liabilities	(9.42)	(42.25)
Adjustment made for accounting error on interest accrued	(0.29)	(0.32)
Adjustment made for accounting error on previous year interest recognised	0.87	(0.87)
<b>Previous Year Adjustments in Other equity</b>	(1,098.50)	-
<b>Shareholder's equity as per Ind AS</b>	<b>17,411.76</b>	<b>15,651.98</b>



#### 41.06 Exemptions availed on first time adoption of Ind AS

Ind AS - 101 allows first-time adopters certain exemptions and certain optional exemptions from the retrospective application of certain requirements under Ind AS. The group has applied the following optional exemptions and mandatory exceptions :

#### 41.07 Optional Exemptions on first-time adoption of Ind AS

##### a) Deemed cost for property, plant and equipment and intangible assets

On transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment and Intangible Assets recognized as at April 01, 2023 measured as per the previous GAAP and use the carrying value as the deemed cost of property, plant and equipment and Intangible Assets.

#### 41.08 Mandatory Exceptions on first-time adoption of Ind AS

##### a) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the group for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted Value for Financial instruments carried are amortised cost.

##### b) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choice provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

##### c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable. There are no items of financial asset and liabilities which are required to be de recognised as per Ind AS 109.

##### d) Remeasurement of post-employment benefit obligations

Under Ind AS, Remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit and loss. Under the previous GAAP, this remeasurement was forming part of the profit and loss for the year.

##### e) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but in other comprehensive income under "Statement of Profit and Loss (including other comprehensive income)" includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

#### 41.09 Explanatory notes for Ind AS adjustments

##### A1 Rectification of errors

The company has written off error that do not meet the recognition criteria under Ind AS. The carrying amount of such expenses has been adjusted against retained earnings on the date of transition

##### A2 Lease accounting

Under the Indian GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss. Under Ind AS, lease liability and right of use ("ROU") is recorded at present value of future contractual rent payment on initial date of lease. Subsequently, finance cost is accrued on lease liability and lease payments are recorded by way of reduction in lease liability. ROU is depreciated over lease term.

Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.

Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application





**A3 Regrouping / reclassification**

Appropriate adjustments have been made in the consolidated financial statement, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the Ind AS presentation requirements

**A4 Reversal of revenue and purchase**

Under the previous GAAP, revenue was recognised upon the transfer of rights and obligations to the customer. In accordance with Ind AS 115, revenue is recognised only when the related performance obligations are satisfied. Since certain performance obligations remained unsatisfied as at the reporting date, the revenue previously recognised has been reversed to align with the requirements of Ind AS 115.

**A5 Provision of expected credit loss on financial assets**

In accordance with Ind AS 109 Financial Instruments, the group has recognized an Expected Credit Loss (ECL) provision on financial assets measured at amortized cost, including trade receivables, for the first time. The ECL provision has been determined using the simplified approach for trade receivables and the general approach for other financial assets. The adjustment related to the creation of this provision has been recognized in retained earnings as of the date of transition, as required under Ind AS 101 First-time Adoption of Indian Accounting Standards."

**A6 Deferred Tax Adjustments**

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through statement of profit and loss or other comprehensive income.

**A7 Other comprehensive income**

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but in other comprehensive income under "Statement of Profit and Loss (including other comprehensive income)" includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.



42. The analytical ratios for the year ended March 31, 2025 and year ended March 31, 2024, as applicable, are as below:

Ratio	Numerator	Denominator	For the year ended March 31, 2025	For the year ended March 31, 2024	Change	Remarks*
Current ratio	current assets	current liabilities	2.20	1.74	26.50%	Increase in Trade receivables from Rs 8,699.28 lacs to Rs 19,478.33 lacs and Increase in Fixed Deposits (maturity within 12 months) by Rs 5,140.47 lacs
Debt-equity ratio	Total debt (Including lease liabilities)	Total equity	0.13	0.24	-44.12%	Decrease in Borrowing due to decrease in Loan from Related Party by Rs 956.96 lacs in FY 24-25 and Increase in Other Equity due to increase in profit by Rs 4,753.55 lacs
Debt service coverage ratio	Earnings available for debt service (Profit/(loss) after tax + Depreciation and amortisation+Impairment+finance cost+ loss on sale of investment properties)	Debt service (Interest and lease payments+ short term lease liabilities)	2.15	0.57	280.51%	Increase in profit from Rs 1,774.50 lacs to Rs 6,528.06 lacs in FY 24-25 and decrease in short term borrowings from Rs 4,146.61 lacs to Rs 2,623.10 lacs
Return on equity	Net profit after tax	Average shareholder's equity (opening shareholder's equity + closing shareholder's equity) /2	0.31	0.10	195.32%	Increase in profit from Rs 1,774.50 lacs to Rs 6,528.06 lacs
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	4.78	2.87	66.62%	Increase in Cost of Goods sold due to increase in COMC from Rs 15,063.07 Lacs to Rs 22,002.26 Lacs and net decrease in inventory by Rs 8,250.78 lacs from FY 23-24 to FY 24-25
Trade receivable turnover ratio	Revenue From Operations	Average trade receivables	3.19	3.18	0.25%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.01	3.57	12.34%	
Net capital turnover ratio	Revenue From Operations	Average Working capital	2.98	2.97	0.14%	
Net profit ratio	Net profit after taxes	Revenue From Operations	0.14	0.06	125.57%	Increase in profit by Rs 4,753.55 lacs and increase in Sales by Rs 17,367.30 lacs
Return on capital employed	Earnings before interest and taxes	Tangible net worth-Total lease liabilities	0.35	0.15	139.64%	Increase in EBIT by Rs 6494.91 lacs and increase in Capital Employed by Rs 5,566.27 lacs

\*Explanation for ratios where the variance is beyond 25% compared to previous year:





**Kanohar Electricals Limited**
**Notes to the financial statements for the year ended March 31, 2025**

(All amounts are in Indian ₹ lakh except share data and as stated)

**43 Reconciliation of Quarterly Bank Returns**
**FY 2024-25**

Name of Bank	Particulars	Quarter	Amount as per Books	Amount as per Return	Difference
Working Capital Lenders	Inventory	Monday, March 31, 2025	4,342.92	4,257.18	85.74
Working Capital Lenders	Trade Receivables	Monday, March 31, 2025	19,478.33	19,918.96	-440.63
Working Capital Lenders	Trade Payables	Monday, March 31, 2025	7,251.81	4,404.12	2,847.69
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>Monday, March 31, 2025</b>	<b>31,073.06</b>	<b>28,580.26</b>	<b>2,492.80</b>
Working Capital Lenders	Inventory	Tuesday, December 31, 2024	7,662.23	6,765.44	896.79
Working Capital Lenders	Trade Receivables	Tuesday, December 31, 2024	2,710.30	2,710.30	-
Working Capital Lenders	Trade Payables	Tuesday, December 31, 2024	4,596.90	4,310.63	286.27
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>Tuesday, December 31, 2024</b>	<b>14,969.43</b>	<b>13,786.37</b>	<b>1,183.06</b>
Working Capital Lenders	Inventory	31 September 2024	4,888.85	4,936.76	-47.91
Working Capital Lenders	Trade Receivables	31 September 2024	7,507.02	7,452.92	54.10
Working Capital Lenders	Trade Payables	31 September 2024	3,952.25	3,924.65	27.60
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>31 September 2024</b>	<b>16,348.12</b>	<b>16,314.33</b>	<b>33.79</b>
Working Capital Lenders	Inventory	Sunday, June 30, 2024	6,408.09	6,129.24	278.85
Working Capital Lenders	Trade Receivables	Sunday, June 30, 2024	11,610.47	11,576.48	33.99
Working Capital Lenders	Trade Payables	Sunday, June 30, 2024	4,582.17	4,473.32	108.85
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>Sunday, June 30, 2024</b>	<b>22,600.73</b>	<b>22,179.04</b>	<b>421.69</b>
<b><u>FY 2023-24</u></b>					
Working Capital Lenders	Inventory	Sunday, March 31, 2024	8,369.52	6,649.70	1,719.82
Working Capital Lenders	Trade Receivables	Sunday, March 31, 2024	8,699.28	10,475.26	-1,775.98
Working Capital Lenders	Trade Payables	Sunday, March 31, 2024	5,912.34	5,736.96	175.38
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>Sunday, March 31, 2024</b>	<b>22,981.14</b>	<b>22,861.92</b>	<b>119.22</b>
Working Capital Lenders	Inventory	Sunday, December 31, 2023	6,795.28	5,197.01	1,598.27
Working Capital Lenders	Trade Receivables	Sunday, December 31, 2023	8,719.94	8,743.97	-24.03
Working Capital Lenders	Trade Payables	Sunday, December 31, 2023	6,883.23	7,455.66	-572.43
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>Sunday, December 31, 2023</b>	<b>22,398.45</b>	<b>21,396.64</b>	<b>1,001.81</b>
Working Capital Lenders	Inventory	31 September 2023	6,615.39	5,608.56	1,006.83
Working Capital Lenders	Trade Receivables	31 September 2023	6,135.68	6,174.08	-38.40
Working Capital Lenders	Trade Payables	31 September 2023	3,940.12	4,422.06	-481.94
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>31 September 2023</b>	<b>16,691.19</b>	<b>16,204.70</b>	<b>486.49</b>
Working Capital Lenders	Inventory	Friday, June 30, 2023	5,780.49	5,694.04	86.45
Working Capital Lenders	Trade Receivables	Friday, June 30, 2023	5,358.38	5,322.54	35.84
Working Capital Lenders	Trade Payables	Friday, June 30, 2023	4,208.99	4,710.89	-501.90
<b>Working Capital Lenders</b>	<b>Net Total</b>	<b>Friday, June 30, 2023</b>	<b>15,347.86</b>	<b>15,727.47</b>	<b>-379.61</b>

**Note:**

The difference in Inventory and Trade Receivables is due to the amount included in financial statements on account of sales not considered for the risk and rewards not transferred in view of compliance of Ind AS 115.

Additionally, the difference in Inventory, Trade Receivables and Trade Payables is carried out because the substation projects are performed at customer's site that's why the actual movement of inventory can not be exactly reconciled with the books and returns does not reflect that inventory.

But there is not any variances in previous years because management considers the substation's inventory in the returns as per books.

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44 Segment Information

Business segment

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Maker in the Company to make decisions for performance assessment and resource allocation. The Company operates in a single reportable segment i.e. Power System, accordingly, there is no reportable segment to be disclosed as required by Ind AS - 108 "Segment Reporting".

Geographical Segment

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Revenue</b>			
- Within India	44,984.12	27,616.82	
- Outside India			
	<u>44,984.12</u>	<u>27,616.82</u>	
<b>Assets</b>			
- Within India	43,207.43	32,287.47	28,524.45
- Outside India			
	<u>43,207.43</u>	<u>32,287.47</u>	<u>28,524.45</u>

45 Disclosure of Interest in Other Entity

The Company has interest in following joint arrangement which was set up as an Un-incorporated AOPs for construction of infra facilities:

Joint Operation

Name of the entity

Kanohar - BCPL JV

Principal Place of business

India

Proportion of ownership as at 31.03.2025

100.00%

Proportion of ownership as at 31.03.2024

100.00%

Proportion of ownership as at 01.04.2023

100.00%

Notes:

Names of Joint Operations which are yet to commence operations : Nil

Names of Joint Operations which have been liquidated or sold during the year : Nil

Name of Joint Operations not considered for Consolidation : Nil

Summarised Financial Interest in Joint Operation (to the extent of Company's Share)

Particulars	Kanohar - BCPL JV		
	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>As at year end:</b>			
<b>Assets</b>			
Trade Receivables	57.30	57.30	57.30
Cash & cash Equivalents	0.09	0.09	0.10
Other Financial Assets	251.68	251.68	251.68
<b>Liabilities</b>			
Amount payable to customer	1,170.87	1,170.87	-
<b>For the year end:</b>			
Total Expenses (Bank Charges)	0.01	0.01	-

46 Additional regulatory information required by Schedule III to the Companies Act, 2013

- The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- The Company has not traded or invested in Crypto currency or virtual currency during the year.
- There is no income surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities ('Intermediaries') with the understanding that the Intermediary shall:
  - 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 to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any persons or entities, including foreign entities ('Funding Party') with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not entered into any transactions with struck off companies.
- The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory year.
- The Company has not been declared wilful defaulter during any of the reporting year.
- No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The title of the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of Company.
- Previous year figures have regrouped/re-classified wherever considered necessary to conform to the current year's classification
- The figures have been rounded off to the nearest lakhs of rupees up to two decimal places.

As per our Report of even date attached

For S S Kothari Mehta & Company

Chartered Accountants

Firm Regn. No 022150N

Navnet Aggarwal

Partner

Membership No. 094380

Place of Signature:

Dated: August 14, 2025



For and on behalf of Board of Directors

Kanohar Electricals Limited

CIN: U31909UP1972PLC003635

Dinesh Singhal  
Managing Director  
(DIN:00178765)

Brijesh Singhal  
Whole time Director  
(DIN:00178848)

Adesh Singhal  
Whole time Director  
(DIN:00178712)

Shu Jia Kanhoj  
Chief Financial Officer  
(M.No. 076032)

Neeta  
Company Secretary  
(M. No. A29167)