



Independent Auditor's Report

To the Members of **KKSPUN INDIA LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **KKSPUN INDIA LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. No key audit matters were communicated in our report.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial



statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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.

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 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, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With Reference to the adequacy of the internal controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"



- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.
- 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:
- The Company has filed the claim in arbitration but no amount is ascertained, hence the impact of it on its financial position is uncertained.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such 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 mis-statement.
- v. No dividend has been declared or paid during the year by the company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

Place:-NEW DELHI
Date:- 20.12.2023
UDIN-23523802BGUWNR6940



For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

Sakshi Kharabanda

SAKSHI KHARABANDA
(FCA)
Membership No. 523802

Annexure - A to the Independent Auditors' Report

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

i. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

e) According to the information and explanations given to us 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 rules thereunder.

ii. a) The management has conducted physical verification of inventory [including inventory lying with third parties] at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification and have been properly dealt with in the books of account

b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. No quarterly returns/statements filed by the Company with such banks and financial institutions.

iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and therefore, the reporting under clause (iii) of the Order is not applicable to the Company.

iv. The Company has not granted any loans, made any investments, or provided any guarantees or security to which provisions of section 185 and 186 of the Companies Act apply and therefore, reporting under clause (iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are considered to be deemed deposits during the year, hence directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and rules made there under are not applicable to the Company. According to information and explanations provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost records by the company under section 148(1) of the Companies Act, 2013 and therefore, reporting under clause (vi) of the Order is not applicable to the Company.



vii. a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, , cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a delay in a few cases along with Income tax for AY 20-21.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues as referred to in sub clause (a) above which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us and on the basis of examination of the records of the Company, there were, no transactions relating to previously unrecorded income which requires to record in the books of account as surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) The Company has defaulted in repayment of dues to financial institutions, banks and Government / debenture holders during the year as stated below. This matter has been disclosed in note 3 to the financial statements:

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Nature for Plant, Machinery and Equipment	1. Axis Bank 2. ICICI Bank 3. Indusind Bank 4. Yes Bank	As per Annexure attached	As per Annexure attached	As per Annexure attached	

b) The Company has not been declared willful defaulter by any bank or financial institution or other lenders.

c) The Company has not taken any term loans during the year and therefore, reporting under clause (ix) (c) of the Order is not applicable to the Company.

d) The Company has not raised any funds on short term basis during the year and therefore, reporting under clause (ix) (d) of the Order is not applicable to the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year and therefore reporting under clause (ix) (f) of the Order is not applicable to the Company.

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

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under clause (ix) (b) of the Order is not applicable to the Company.



- xi. a) To the best of our knowledge and according to information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- c) According to information and explanations given to us, the Company has not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv. a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us:
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as covered under the requirements the Reserve Bank of India Act, 1934.
- c) The Company is a not a Core Investment Company as defined in the regulations made by Reserve Bank of India.
- d) The Company does not have more than one Core Investment Companies which are part of the Group;
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under clause (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance



that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;

xx. The Company is not liable to contribute towards Corporate Social responsibility (CSR) in compliance with the second proviso to sub-section (5) of Section 135 of the Companies Act, 2013 and therefore, reporting under clause (xx) of the Order is not applicable to the Company.

xxi. There are no qualifications or adverse remark by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements. The audit report under Companies (Auditors Report) Order, 2020 of these companies has not been issued till the date of our auditor's report.

S.No	Name	CIN	Subsidiary/ associate/ joint venture
1	Giga Pipe Systems Private Limited	U74999DL2020FTC368645	Associates
2	Reline UV Asean Private Limited	U29200DL2018PTC339021	Associates
3	KKSIL – Noble JV	NA	Joint Venture
4	KKSIL – Triveni JV	NA	Joint Venture

Place:-NEW DELHI

Date: 20.12.2023

UDIN-23523802BGUWNR6940



For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

Sakshi Khharabanda

SAKSHI KHARABANDA
(FCA)
Membership No. 523802

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **KKSpun India Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **KKSpun India Limited** ("the Company") as at 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria an 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.

Place:-NEW DELHI

Date: 20.12.2023

UDIN-23523802BGUWNI



For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

Sakshi Kharabanda

SAKSHI KHARABANDA

(FCA)

Membership No. 523802

KKSPUN INDIA LIMITED
CIN:U29199DL2006PLC144590
Balance Sheet as at 31st March, 2023

	Note No.	As at 31/03/2023	As at 31/03/2022
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	'1'	128,981,230	128,981,230
Reserves and Surplus	'2'	1,763,311,039	1,759,186,219
		1,892,292,269	1,888,167,449
Non-Current Liabilities			
Long-term Borrowings	'3'	4,803,449,026	924,761,103
Deferred Tax Liabilities (Net)	'4'	10,351,747	11,202,277
Other Long-term Liabilities	'5'	2,258,021	421,343,802
Long-term Provisions	'6'	11,079,794	10,333,406
		4,827,138,588	1,367,640,588
Current Liabilities			
Short-term Borrowings	'7'	1,091,607	2,476,568,999
Trade Payables	'8'	197,471,660	154,233,017
Other Current Liabilities	'9'	57,647,024	161,679,650
Short-term Provisions	'10'	2,500,000	2,100,000
		258,710,291	2,794,581,666
		6,978,141,148	6,050,389,703
<u>ASSETS</u>			
Non-Current Assets			
Property Plant and Equipments and Intangible Assets			
Property Plant and Equipments	'11'	776,816,377	896,187,768
Investment	'12'	169,551,180	169,551,180
Long-term Loans and Advances	'13'	4,659,947,945	14,320,724
		5,606,315,502	1,080,059,672
Current Assets			
Inventories	'14'	455,643,193	2,483,959,559
Trade Receivables	'15'	337,073,625	908,463,271
Cash and Bank Balances	'16'	130,200,253	283,195,604
Short-term Loans and Advances	'17'	448,908,574	1,294,711,598
		1,371,825,646	4,970,330,032
		6,978,141,148	6,050,389,703

Notes to the Financial Statements

29'

For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

CA Sakshi Kharabanda
M No. 523802

UDIN: 23523802BGUWNR6940

Place : New Delhi
Date : 20.12.2023



For and on Behalf of the Board of Directors
KKSpun India Limited

Himanshu Gupta
Managing Director
DIN: 00822757

Kavish Gupta
Director
DIN: 02933533

Surjeet Srivastwa
Company Secretary
ACS:33655

KKSPUN INDIA LIMITED
CIN:U29199DL2006PLC144590
Statement of Profit and Loss for the year ended 31st March 2023

	Note No.	For the Year 2022-23	For the Year 2021-22
<u>INCOME</u>			
Revenue from Operations	'18'	1,175,222,316	2,676,639,159
Other Income	'19'	9,577,561	19,553,781
Total income		1,184,799,877	2,696,192,940
<u>EXPENSES</u>			
Cost of Materials Consumed	'20'	454,422,797	1,334,107,832
Changes in Inventories	'21'	(171,528,102)	(343,660,343)
Employee Benefits Expenses	'22'	76,626,083	127,134,838
Other Manufacturing Expenses	'23'	528,205,731	854,243,527
Finance Costs	'24'	94,116,635	436,462,555
Depreciation and Amortization	'25'	93,949,738	114,689,608
Other Expenses	'26'	103,624,450	167,965,423
Total Expenses		1,179,417,331	2,690,943,439
Profit before Tax		5,382,546	5,249,501
Tax Expenses:	'27'		
Current Tax		2,500,000	2,100,000
Deferred Tax		(850,530)	(322,830)
Profit/ (Loss) for the period		3,733,076	3,472,331
Earnings per Equity Share:	'28'		
Basic (₹)		0.29	0.27
Diluted (₹)		0.29	0.27
Notes to the Financial Statements	'29'		

For SAKSHI & ASSOCIATES

Chartered Accountants

FRN: 025099N

Sakshi Kharabanda

CA Sakshi Kharabanda

M No. 523802

UDIN: 23523802BGUWNR6940

Place : New Delhi

Date : 20.12.2023



For and on Behalf of the Board of Directors

KKSpun India Limited

Himanshu Gupta
Himanshu Gupta
Managing Director
DIN: 00822757

Kavish Gupta
Kavish Gupta
Director
DIN: 02953533

Surjeet Srivastwa
Surjeet Srivastwa
Company Secretary
ACS:33655

KKSPUN INDIA LIMITED
CIN:U29199DL2006PLC144590

Cash Flow Statement for the year ended 31st March, 2023

	Year ended 31/03/2023	Year ended 31/03/2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit After Tax and Dividend	3,733,076	3,472,331
Adjustment for :		
Finance Costs	94,116,635	436,462,555
Interest Income	(9,577,561)	(19,210,986)
Depreciation and Amortization Expenses	93,949,738	114,689,608
Income Tax Appropriation A/c	391,746	(3,905,905)
Provisions for deferred tax	(850,530)	(322,830)
Operating profit before working capital changes	181,763,104	531,184,773
Changes in working Capital:		
Inventories	2,028,316,366	(356,464,987)
Trade and other Receivables	1,417,192,670	(188,594,821)
Short Term Provision	400,000	(1,900,000)
Long-term Provisions	746,388	200,023
Trade and other Payables	(60,793,983)	(702,915,186)
Cash generation from Operation	3,385,861,440	(1,249,674,971)
Payment of Direct Taxes	-	-
Net Cash generated/ (used) - Operating Activities	3,567,624,544	(718,490,198)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(2,517,076)	(3,379,432)
Sale of Fixed Assets	27,938,728	2,229,970
Long Term Loans and Advances	(4,645,627,221)	
Interest Received	9,577,561	19,210,986
Net Cash Generated/ (Used) - Investing Activities	(4,610,628,009)	18,061,524
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Shares (Net of Expenses)	-	124,299,945
Proceeds from Share Application Money	-	-
Proceeds from Long-term Borrowings (Net)	3,459,602,141	51,320,658
Proceeds/ Repayment of Short-term Borrowings (Net)	(2,475,477,392)	634,844,793
Finance Cost Paid	(94,116,635)	(436,462,555)
Dividend Paid (including Dividend Distribution Tax)		
Net Cash Generated/ (Used) - Financing Activities	890,008,114	374,002,841
Net Increase/ (Decrease) in Cash and Cash Equivalents	(152,995,351)	(326,425,833)
Add : Opening Cash and Cash Equivalents	283,195,604	609,621,437
Closing Cash and Cash Equivalents	130,200,253	283,195,604

Notes:

- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash flow Statement" as specified by ICAI.
- Previous Year Figures have been regrouped/ rearranged wherever necessary to make them comparable.

For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

Sakshi Kharabanda
CA Sakshi Kharabanda
M No. 523802



UDIN: 23523802BGUWNR6940

Place : New Delhi
Date : 20.12.2023

For and on Behalf of the Board of Directors
KKSpun India Limited

Himanshu Gupta
Managing Director
DIN: 00822757

Kavish Gupta
Director
DIN: 02953533

Surjeet Singh
Company Secretary
ACS:39655

KKSPUN INDIA LIMITED
CIN:U29199DL2006PLC144590

Notes to the Financial Statements

1 Share Capital:

A. Authorized, Issued, Subscribed and Paid-up Share Capital

Authorized:

5,00,00,000 (Previous year '5,00,00,000) Equity Shares of ₹ 10 each.

As at	
31/03/2023	31/03/2022
500,000,000	500,000,000
500,000,000	500,000,000

Issued :

1,28,98,123 (Previous year '1,28,98,123) Equity Shares of ₹ 10 each.

128,981,230	128,981,230
128,981,230	128,981,230

Subscribed and Paid-up:

1,28,98,123 (Previous year '1,28,98,123) Equity Shares of ₹ 10 each Fully Paid up.

128,981,230	128,981,230
128,981,230	128,981,230

B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

Particulars	2022-23		2021-22	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	12,898,123	128,981,230	12,040,882	120,408,820
Add: Equity Shares Issued during the year	-	-	857,241	8,572,410
Equity Shares outstanding at the end of the year	12,898,123	128,981,230	12,898,123	128,981,230

C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:

Name of shareholder	As at 31/03/2023		As at 31/03/2022	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Himanshu Gupta	6,587,465.00	51.07	6,587,465.00	51.07
Kavish Gupta	6,006,009.00	46.56	6,006,009.00	46.56

The company has only one class of equity shares having par value Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Detail of Promoters at the end of the reporting year:

Name of Promoters	As at 31/03/2023			As at 31/03/2022		
	Numbers of Shares held	Percentage of Holding	% change during the year	Numbers of Shares held	Percentage of Holding	% change during the year
Himanshu Gupta	6,587,465.00	51.07	-	6,587,465.00	51.07	6.64%
Kavish Gupta	6,006,009.00	46.56	-	6,006,009.00	46.56	8.05%
Tot	12,593,474.00	97.64		12,593,474.00	97.64	

2 Reserves and Surplus:

Securities Premium Account - (a)

Surplus i.e. balance in Statement of Profit and Loss - (b)

As at	
31/03/2023	31/03/2022
504,275,891	504,275,891
1,259,035,148	1,254,910,328
1,763,311,039	1,759,186,219

(a). Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

Securities Premium Account

As at	
31/03/2023	31/03/2022
504,275,891	504,275,891
504,275,891	504,275,891

(b). Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

Opening Balance

Add: Profit for the period

Less: Income Tax Appropriation A/c

Closing Balance

As at	
31/03/2023	31/03/2022
1,254,910,326	1,255,343,902
3,733,076	3,472,331
1,258,643,402	1,258,816,233
(391,746)	3,905,905
1,259,035,148	1,254,910,328



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Notes to the Financial Statements

3 Long-term Borrowings

	As at	
	31/03/2023	31/03/2022
Secured		
Term Loans:		
From Banks	1,190,305,363	922,583,581
From Financial Institution	-	2,177,523
	<u>1,190,305,363</u>	<u>924,761,103</u>
Bank Overdraft	3,914,951,578	-
Less: Unpaid Interest*	<u>301,807,914</u>	-
Net Balance	<u>4,803,449,026</u>	<u>924,761,103</u>

1. Term Loans from Banks Include:

HDFC Bank

ECLGS Loan from HDFC Bank amounting to Rs. 4.02 Crore against the second charge over the existing primary and collateral securities held with consortium. The loan will be closed on March 2026.

ICICI Bank

Equipment loans from ICICI Bank amounting to Rs. 10.61 Crore against the hypothecation of plant and machinery and the ECLGS Loan of Rs. 3.12 Crores against the second charge over the existing securities (i.e. Plant & Machinery). The loan will be closed on January 2026.

Indusind Bank

Term loan from Indusind Bank amounting to Rs. 45.49 crore is against the hypothecation of Commercial office situated at 10TH Floor Tower A Vatika Mindscapes and the ECLGS Loan of Rs. 12.29 Crores against the second charge over the existing securities (i.e. Commercial office). The loan will be closed on October 2025.

Axis Bank

Equipment loans from Axis Bank amounting Rs. 6.62 Crore is against the hypothecation of plant and machinery and the ECLGS Loan of Rs. 6.77 Crores against the second charge over the existing securities (i.e. Plant & Machinery). The loan will be closed on December-2025.

Yes Bank

Vehicle loans from Yes Bank amounting to Rs. 0.16 Crore is against the hypothecation of Vehicle car (Innova Car) and the ECLGS Loan of Rs. 0.94 Crore against the second charge over the existing securities (i.e. Plant & Machinery). The loan will be closed on January 2026.

Siemens Finance Services Private Limited

ECLGS Loan with Siemens Finance Services Private Limited amounting to Rs. 0.40 Crore against the second charge over the existing securities (Plant and machinery) held with siemens. The loan will be closed on February 2026.

Bank of India

ECLGS Loan with Bank of India amounting to Rs. 0.93 Crore is against the second charge over the existing primary and collateral securities held with consortium. The loan will be closed on February-2026.

Central Bank of India

ECLGS with Central Bank of India amounting to Rs. 0.96 Crores is against second charge over the existing primary and collateral securities held with consortium. The loan will be closed on November-2025.

IDFC Bank

ECLGS with IDFC Bank amounting to Rs. 6.51 Crore is against the second charge over the existing primary and collateral securities held with consortium. The loan will be closed on June-2026.

UCO Bank

ECLGS with UCO Bank amounting to Rs. 1.63 Crore is against the second charge over the existing primary and collateral securities held with consortium. The loan will be closed on March-2026.

State Bank of India

ECLGS with State Bank of India amounting to Rs. 18.55 Crore is against the second charge over the existing primary and collateral securities held with consortium. The loan will be closed on March-2026.

- 2 The Company has defaulted in repayment of most of the loans or other borrowings and in the payment of interest thereon to financial institution / banks during the year.

* Interest unpaid amounting to Rs 30,18,07,914.22 reflected in financial books is on the basis of management undertaking regarding for restructuring with financial institutions.

4 Deferred Tax Liabilities (Net)

	As at	
	31/03/2023	31/03/2022
Deferred Tax Liabilities		
Depreciation and Amortization Expenses	10,351,747	11,202,277
Deferred Tax Liabilities (Net)	<u>10,351,747</u>	<u>11,202,277</u>

5 Other Long-term Liabilities

	As at	
	31/03/2023	31/03/2022
Mobilisation Advance		
	2,258,021	421,343,802
	<u>2,258,021</u>	<u>421,343,802</u>

6 Long-term Provisions

	As at	
	31/03/2023	31/03/2022
Provision for Gratuity		
	8,419,589	7,971,331
Provision for Leave Encashment		
	2,660,205	2,362,075
	<u>11,079,794</u>	<u>10,333,406</u>



Notes to the Financial Statements

7 Short-term Borrowings

	As at	
	31/03/2023	31/03/2022
Secured Loans repayable on demand	-	1,830,802,674
From Banks	-	244,516,194
Current maturities of long-term debt	-	122,569,751
Current maturities of Loan/debts	1,091,607	278,680,381
Current maturities of Mobilisation Advance	1,091,607	2,476,568,999

8 Trade Payables

	As at	
	31/03/2023	31/03/2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	197,471,660	154,233,017
	197,471,660	154,233,017

8a Trade Payables Ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1 - 2 years	2-3 years	more than 3 years	Total
MSME	-	-	-	-	-
Others	118,001,031	53,993,860.75	22,018,910.35	3,457,857.58	197,471,660
Disputed dues-MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
Total	118,001,031	53,993,861	22,018,910	3,457,858	197,471,660

8b Trade Payables Ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1 - 2 years	2-3 years	more than 3 years	Total
MSME	-	-	-	-	-
Others	154,233,017	-	-	-	154,233,017
Disputed	-	-	-	-	-
Disputed	-	-	-	-	-
Total	154,233,017	-	-	-	154,233,017

9 Other Current Liabilities

	As at	
	31/03/2023	31/03/2022
Statutory dues Payables	12,372,945	22,543,194
Other Liabilities	45,274,079	139,136,455
	57,647,024	161,679,650

10 Short-term Provisions

	As at	
	31/03/2023	31/03/2022
Provision for Current Tax	2,500,000	2,100,000
	2,500,000	2,100,000

11 Property Plant and Equipments

A. Summary of cost and net carrying amount of each class of tangible assets are given below:

	Cost		Accumulated Depreciation		Net Carrying Amount	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Freehold Land	191,104,231	191,104,231	-	-	191,104,231	191,104,231
Buildings	158,593,864	158,593,864	103,740,540	97,978,105	54,853,324	60,615,759
Plant and Equipment	1,775,367,582	1,856,650,143	1,265,428,653	1,243,146,183	509,938,929	613,503,960
Furniture and Fixtures	43,479,367	50,167,127	36,011,880	39,155,139	7,467,487	11,011,988
Vehicles and Aircraft	140,813,739	153,323,484	129,316,309	135,670,120	11,497,429	17,653,363
Office Equipment	11,119,342	11,013,410	10,252,621	9,901,567	866,721	1,111,843
Computers	22,936,863	22,841,195	22,094,791	21,900,755	842,072	940,439
Temp Structure	4,923,662	4,923,662	4,677,479	4,677,479	246,183	246,183
	2,348,338,651	2,448,617,116	1,571,522,274	1,552,429,349	776,816,377	896,187,768

Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2023 are as under:

Cost	As at 31/03/2022	Additions	Deductions	As at 31/03/2023
Freehold Land	191,104,231	-	-	191,104,231
Buildings	158,593,864	-	-	158,593,864
Plant and Equipment	1,856,650,143	2,315,475.63	83,598,035.90	1,775,367,582
Furniture and Fixtures	50,167,127	-	6,687,760.00	43,479,367
Vehicles	153,323,484	-	12,509,745.10	140,813,739
Office Equipment	11,013,410	105,932.00	-	11,119,342
Computers	22,841,195	95,668.64	-	22,936,863
Temp Structure	4,923,662	-	-	4,923,662
Current Year	2,448,617,116	2,517,076	102,795,541	2,348,338,651
Previous Year	2,450,382,154	3,379,432	5,144,470	2,448,617,116



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Notes to the Financial Statements

	As at 31/03/2022	Additions	Deductions	As at 31/03/2023
Accumulated Depreciation				
Freehold Land				
Buildings	97,978,105	5,762,435	-	103,740,540
Plant and Equipment	1,243,146,183	80,649,972	58,367,502	1,265,428,653
Furniture and Fixtures	39,155,139	2,781,503	5,924,762	36,011,880
Vehicles	135,670,120	4,210,738	10,564,549	129,316,309
Office Equipment	9,901,567	351,054	-	10,252,621
Computers	21,900,755	194,036	-	22,094,791
Temp Structure	4,677,479	-	-	4,677,479
Current Year	1,552,429,349	93,949,738	74,856,813	1,571,522,274
Previous Year	1,440,654,241	114,689,608	2,914,500	1,552,429,349

12 Investments

Investments in the Subsidiaries/Joint Venture Companies

	As at 31/03/2023	31/03/2022
Investment in Giga Pipe System India Pvt Ltd (Formerly known as Giga Pipe System LLP)	55,000,000	55,000,000
Investment in Reline UV Asean Private Limited	114,551,180	114,551,180
	169,551,180	169,551,180

13 Long-term Loans and Advances:

Security Deposits
Recoverable Claims

	As at 31/03/2023	31/03/2022
Security Deposits	12,256,421	14,320,724
Recoverable Claims	4,647,691,524	-
	4,659,947,945	14,320,724

The Company has filed claims of Rs 944.92 crores in arbitration, out of which Rs 464.47 crores are accounted for in the books of accounts.

14 Inventories:

Raw Materials
Work-in-Progress
Finished Goods
Site Work-in-Progress

	As at 31/03/2023	31/03/2022
Raw Materials	12,369,330	124,025,853
Work-in-Progress	533,615	47,377,765
Finished Goods	19,915,463	450,033,063
Site Work-in-Progress	422,824,785	1,862,522,878
	455,643,193	2,483,959,559

(As valued and certified by management)

15 Trade Receivables:

Secured, Considered Good
Outstanding for a period exceeding six months
Outstanding for a period less than six months

	As at 31/03/2023	31/03/2022
Secured, Considered Good	67,264,198	79,842,969
Outstanding for a period exceeding six months	269,809,427	828,620,302
Outstanding for a period less than six months	337,073,625	908,463,271

15a Trade Receivables Ageing Schedule as at 31st March 2023

Particulars	Outstanding for following periods from the due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	more than 3 years	Total
Undisputed Trade Receivables-considered good	269,809,427	7,575,450.00	59,688,748	-	-	337,073,625
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-
Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Total	269,809,427	7,575,450	59,688,748	-	-	337,073,625

15a Trade Receivables Ageing Schedule as at 31st March 2022

Particulars	Outstanding for following periods from the due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	more than 3 years	Total
Undisputed Trade Receivables-considered good	521,268,119	-	79,842,969	-	-	601,111,088
Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables-considered good	307,352,183.00	-	-	-	-	307,352,183
Disputed Trade Receivables-considered doubtful	-	-	-	-	-	-
Total	828,620,302	-	79,842,969	-	-	908,463,271



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Notes to the Financial Statements

16 Cash and Bank Balances:

	As at	
	31/03/2023	31/03/2022
Bank Current Accounts	17,225,698	(34,743,084)
Cash in hand	24,698	765,684
	<u>17,250,397</u>	<u>(33,977,399)</u>
Other Balances		
Fixed Deposits with Banks	112,949,856	317,173,003
	<u>112,949,856</u>	<u>317,173,003</u>
	<u>130,200,253</u>	<u>283,195,604</u>

17 Short-term Loans and Advances

	As at	
	31/03/2023	31/03/2022
Security Deposits	27,699	53,726,699
Advance to suppliers	263,996,638	-
Retention Money	-	651,946,316
Receivable from Revenue Authorities	183,301,848	277,207,351
BG Encashment Receivable	-	307,352,183
Other loans and advances	1,582,390	4,479,050
	<u>448,908,574</u>	<u>1,294,711,598</u>

18 Revenue from Operations:

	Year ended	
	31/03/2023	31/03/2022
Domestic Revenue	1,175,222,316	2,661,595,127
Export Revenue	-	15,044,032
	<u>1,175,222,316</u>	<u>2,676,639,159</u>

19 Other Income:

	Year ended	
	31/03/2023	31/03/2022
Interest Income		
On FDR	9,333,867	19,618,922
On Others	99,397	123,802
Profit on sale of Fixed Asset	144,297	(407,936)
Duty Drawback	-	218,993
	<u>9,577,561</u>	<u>19,553,781</u>

20 Cost of Materials Consumed:

	Year ended	
	31/03/2023	31/03/2022
Opening Stock	124,025,853	111,221,209
Add: Raw Material Purchased	367,769,694	1,346,912,476
Less: Closing Stock	<u>12,369,330</u>	<u>124,025,853</u>
	479,426,217	1,334,107,832
Less: Transfer to Claims Recoverable	<u>25,003,420</u>	<u>-</u>
	<u>454,422,797</u>	<u>1,334,107,832</u>

21 Changes in Inventories:

	Year ended	
	31/03/2023	31/03/2022
Opening Inventories		
Work-in-Progress	1,909,900,643	1,508,134,758
Finished Goods	<u>450,033,063</u>	<u>508,138,605</u>
	<u>2,359,933,706</u>	<u>2,016,273,363</u>
Less: Closing Inventories		
Work-in-Progress	423,358,400	1,909,900,643
Finished Goods	<u>19,915,463</u>	<u>450,033,063</u>
	<u>443,273,863</u>	<u>2,359,933,706</u>
Less: Transfer to Claims Recoverable	<u>2,088,187,945</u>	<u>-</u>
	<u>(171,528,102)</u>	<u>(343,660,343)</u>



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Notes to the Financial Statements

22 Employee Benefits Expenses:

	Year ended	
	31/03/2023	31/03/2022
Salaries and Wages	72,200,708	120,333,003
Director Remuneration	2,400,000	-
Contribution to Provident Fund, ESI and other Funds	1,141,828	3,567,185
Employee Welfare	883,547	3,234,650
	<u>76,626,083</u>	<u>127,134,838</u>

23 Other Manufacturing Expenses

	Year ended	
	31/03/2023	31/03/2022
Power and Fuel	14,454,886	25,829,589
Stores and Spares	163,447	926,834
Machinery Repair and Maintenance	796,226	11,723,583
Project Contract Expenses	512,791,172	815,763,521
	<u>528,205,731</u>	<u>854,243,527</u>

24 Finance Costs:

	Year ended	
	31/03/2023	31/03/2022
Interest	66,410,432	336,385,632
Bank Charges	27,706,202	100,076,923
	<u>94,116,635</u>	<u>436,462,555</u>

25 Depreciation and Amortization Expenses:

	Year ended	
	31/03/2023	31/03/2022
Depreciation and Amortization Expenses:	93,949,738	114,689,608
	<u>93,949,738</u>	<u>114,689,608</u>

26 Other Expenses:

	Year ended	
	31/03/2023	31/03/2022
Fee, Rates and Taxes	232,829	643,523
Rent	24,966,571	35,275,515
Insurance	6,081,505	7,439,309
Auditors' Remuneration	700,000	826,000
Business Promotion	779,286	987,270
Computer Running & Maintenance	1,830,308	2,564,501
Freight and Forwarding Expenses	962,857	5,543,772
Donation	76,000	500,000
Legal & Professional Charges	17,424,821	13,167,817
Security Charges	1,065,410	1,482,468
Festival Expenses	1,069,412	12,445
Telephone Expenses	425,423	911,004
Travelling & Conveyance	15,547,361	25,742,870
Vehicle Running and Maintenance	7,375,927	20,168,633
Truck Running & Maintenance	19,905,676	41,114,461
Office Running & Maintenance	4,708,770	11,245,592
Miscellaneous Expenses	472,293	340,242
	<u>103,624,450</u>	<u>167,965,423</u>

27 Tax Expenses

	Year ended	
	31/03/2023	31/03/2022
Current Tax		
Current Tax for the year	2,500,000	2,100,000
	<u>2,500,000</u>	<u>2,100,000</u>
Deferred Tax		
Deferred Tax Liability/ (Assets) for the year	814,213	322,830
	<u>814,213</u>	<u>322,830</u>



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Notes to the Financial Statements

28 Earning per Share (EPS)

	Year ended	
	31/03/2023	31/03/2022
Profit/ (Loss) for the period	3,733,076	3,472,331
Number of shares used in the calculation of EPS:		
Number of Basic Equity Shares outstanding	12,898,123	12,898,123
Weighted average number of Shares	12,898,123	12,898,123
Face value of per share (₹)	10	10
Basic EPS	0.29	0.27
Diluted EPS	0.29	0.27

29(A) Significant Accounting Policies

A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 (The 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Act, to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the Company are consistent with those used in the previous year.

B. Use of Estimates

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles (GAAP), requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported revenues and expenses, during the year. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

C. Property, Plant and Equipment

Property, Plant and Equipment are carried at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost is inclusive of freight, applicable duties, taxes and other directly attributable costs to bring the assets to their working condition/ for intended use.

D. Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

E. Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. All revenues and expenses are accounted for on accrual basis. Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists. Interest Income is recognised on accrual basis.

F. Provision for Current Tax and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

At each reporting date, the company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax relate to the same taxable entity and the same taxation authority.

G. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

H. Depreciation

Depreciation on the tangible assets is provided at the written down value (WDV) method as prescribed in Schedule II as notified under The Companies Act, 2013. Depreciation is charged on pro-rata to the period of use with reference to the date of Installation.



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Notes to the Financial Statements

I. Employee Benefits

a) Short-Term Employees Benefits

The Employee Benefits payable only within 12 months of rendering the services are classified as short-term Employee Benefits such as salaries, leave travel allowance short term compensated absences etc and the expected cost of bonus are recognised in the period in which the employee renders the related services.

b) Long-Term Employees Benefits

The Employee Benefits payable only within 12 months of rendering the services are classified as short-term Employee Benefits such as salaries, leave travel allowance short-term compensated absences etc and the expected cost of bonus are recognized in the period in which the employee renders the related services. LTA and medical expenses as per actual bills submitted within the limit fixed for each employee.

The Company has created Provision for Gratuity and Leave encashment expenses during the Financial Year 2022-23 as follows:-

	Year ended	
	31/03/2023	31/03/2022
Provision for Gratuity Expenses	448,258	104,508
Provision for Leave Encashment Expenses	298,130	95,495
	746,388	200,003

J. Inventories

Inventories have been valued at cost or net realizable value, whichever is lower.

The semi-finished goods and Finished Goods are valued at estimated cost based in technical knowledge of the Director regarding stages of completion cost and overhead thereon.

K. Foreign Exchange Transaction

I) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

II) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured on terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. Non-monetary items which are measured at the fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

II) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the company at the rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise

L. Segment reporting

Company's operations relate to manufacture, sale and related construction services of RCC Precast Products and undertaking various EPC Projects. These sales and services are similar in nature & product line and operated from the same source i.e. material, man power and other direct cost.

M. Finance Cost

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

N. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

29(B) Notes forming part of accounts

1 Commitments

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for
(b) Uncalled liability on shares and other investments partly paid
(c) Others, if any

As at	
31/03/2023	31/03/2022
-	-
-	-
-	-
Nil	Nil

2 Contingent Liabilities

Bank Guarantees
Corporate Guarantee
Bank Interest unpaid

As at	
31/03/2023	31/03/2022
489,677,748	2,556,096,033
400,000,000	419,200,000
301,807,914	-
1,191,485,662	2,975,296,033

KKSpun India Ltd. has given the corporate Guarantee to State Bank of India for securing the working capital limits of Rs. 40 Crore on behalf of Giga Pipe System India Pvt Ltd)

Interest unpaid amounting to Rs 30,18,07,914.22 reflected in financial books is on the basis of management undertaking regarding for restructuring with financial institutions.



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Notes to the Financial Statements

3 Related Party Disclosures:

A. List of Related Parties:

- i. **Associates and related party**
Giga Pipe System India Pvt Ltd
Reline U/V Asean Pvt Ltd
Jaishree Gupta
Samiksha Gupta
Aditi Gupta

ii **Key Managerial Personnel:**

Himanshu Gupta	Director
Kavish Gupta	Director

B. Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business:

Transactions During the year :	Giga Pipe System India Pvt Ltd	Himanshu Gupta	Kavish Gupta	Jaishree Gupta	Samiksha Gupta	Aditi Gupta
Rent without taxes	-	120,000	45,000	23,400,000	-	-
Salary including Director's remuneration	-	1,200,000	1,200,000	-	600,000	600,000
Purchase (Exclusive of Taxes)	21,593,724	-	-	-	-	-

4 Income and Expenditure in Foreign Currency

A. C.I.F. value of imports by the Company (Excluding imported items purchased locally):

Machinery parts

Year ended	
31/03/2023	31/03/2022
1,167,291	-
1,167,291	-

B. Value of Finished Goods Export during the year ended :

Export Sale

As at	
31/03/2023	31/03/2022
-	15,044,032

5 Auditor's Remuneration

Audit Fee
Certification Fees & other Fees (Exclusive of Taxes)

As at	
31/03/2023	31/03/2022
700,000	826,000
-	6,500
700,000	832,500

6 Trade payables are net of balances after adjusting advances to vendors. Trade receivables are net of balances after adjusting advances from customers. Balances with Sundry Debtors, Creditors are subject to confirmation.



7 Disclosure of Key Ratios

Ratio	Numerator	Denominator	C.Y. Ratio	P.Y. Ratio	% Change
(a) Current Ratio	Current Assets	Current Liabilities	93.74	1.78	5170.83%
(b) Debt-Equity Ratio	Long Term Debt	Shareholder equity	2.54	0.71	256.06%
(c) Debt Service Coverage Ratio	Earning Before Interest, tax, Depreciation & Amortisation Earning After Interest, tax, Depreciation & Amortisation	Total principal + Interest on Borrowings	0.04	0.57	-92.93%
(d) Return on Equity Ratio	Interest, tax, Depreciation & Amortisation Turnover	Average Shareholder's Equity	0.00	0.29	-29.02%
(e) Inventory turnover ratio	Net Credit Sales	Average Inventory	0.80	0.93	-13.84%
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	1.89	2.54	-25.74%
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payable	8.39	1.84	355.01%
(h) Net capital turnover ratio	Total Sales	Average Working Capital	1.06	1.23	-14.22%
(i) Net profit ratio	Net Profit	Net Sales	0.00	0.00	0.26%
(j) Return on Capital employed	Earning Before Interest & tax	Capital employed	0.01	0.14	-12.08%

8 Additional Regulatory Information required by schedule III

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall 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 person(s) or entity(ies), 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 on behalf of the Ultimate Beneficiaries.
- There are no transactions and / or balance outstanding with companies struck off under section 248 of the Companies Act, 2013.
- The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- The Company has not revalued its Property, Plant and Equipment and Intangible assets during the current or previous year.
- The Company has filed the quarterly statements of current assets with banks which are in agreement with the books of account.
- The Company has used the borrowings taken from banks and financial institution for the specific purposes for which they were taken as at the balance sheet date.
- The company have not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- There were no whistle blower complaints receive

9 The previous year figures has been reclassified/ rearranged / regrouped to correspond with current year figures.

Notes to the Financial Statements For SAKSHI & ASSOCIATES

Chartered Accountants
FRN: 025099N

CA Sakshi Kharabanda
M No. 523802



UDIN: 23523802BGUWNR6940

Place : New Delhi
Date : 20.12.2023

For and on Behalf of the Board of Directors
KKSapun India Limited

Himanshu Gupta
Managing Director
DIN: 00822757

Kavish Gupta
Director
DIN: 02933533

Surjew Srinagwa
Company Secretary
ACS 93655