



KRITI INDUSTRIES (INDIA) LIMITED

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CIN : L25206MP1990PLC005732

KHIL/SE/2023-24

5th August, 2023

Online filing at: www.listing.bseindia.com and
<https://neaps.nseindia.com/NEWLISTINGCORP/login.jsp>

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051
Symbol – KRITI

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai 400001
BSE Scrip ID: KRITIIND Scrip Code – 526423

Sub: Submission of 33rd Annual Report alongwith Notice of Annual General Meeting (AGM) to be held on 28th August, 2023 through Video Conferencing ('VC') or Other Audio Video Means ('OAVM') at 3:00 P.M. pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015.

Dear Sir/Ma'am,

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclose herewith the soft copy of the 33rd Annual Report for the financial year ended on 31st March, 2023 of the company containing the Balance Sheet as at 31st March, 2023, Statement of Changes in Equity and the Statement of the Profit and Loss and Cash Flow for the year ended 31st March, 2023 and the Boards' Report along with Corporate Governance Report, and the Auditors' Report on that date and its annexures along with the Notice of 33rd Annual General Meeting.

Kindly note that the 33rd Annual General Meeting of the Members of Kriti Industries (India) Limited is scheduled to be held on 28th August, 2023 at 3:00 P.M., **through Video Conferencing (VC) or Other Audio Video Means (OAVM)** for which purposes the corporate office of the company situated at 8th Floor, Brilliant Sapphire Plot No.10, PSP, IDA, Scheme No.78, Part II, Indore (M.P.) 452010 shall be deemed as the venue for the Meeting.

You are requested to please take on record the above said document of the Company for your reference and further needful.

Thanking you.

Yours faithfully,

For, Kriti Industries (India) Limited

(Tanuj Sethi)

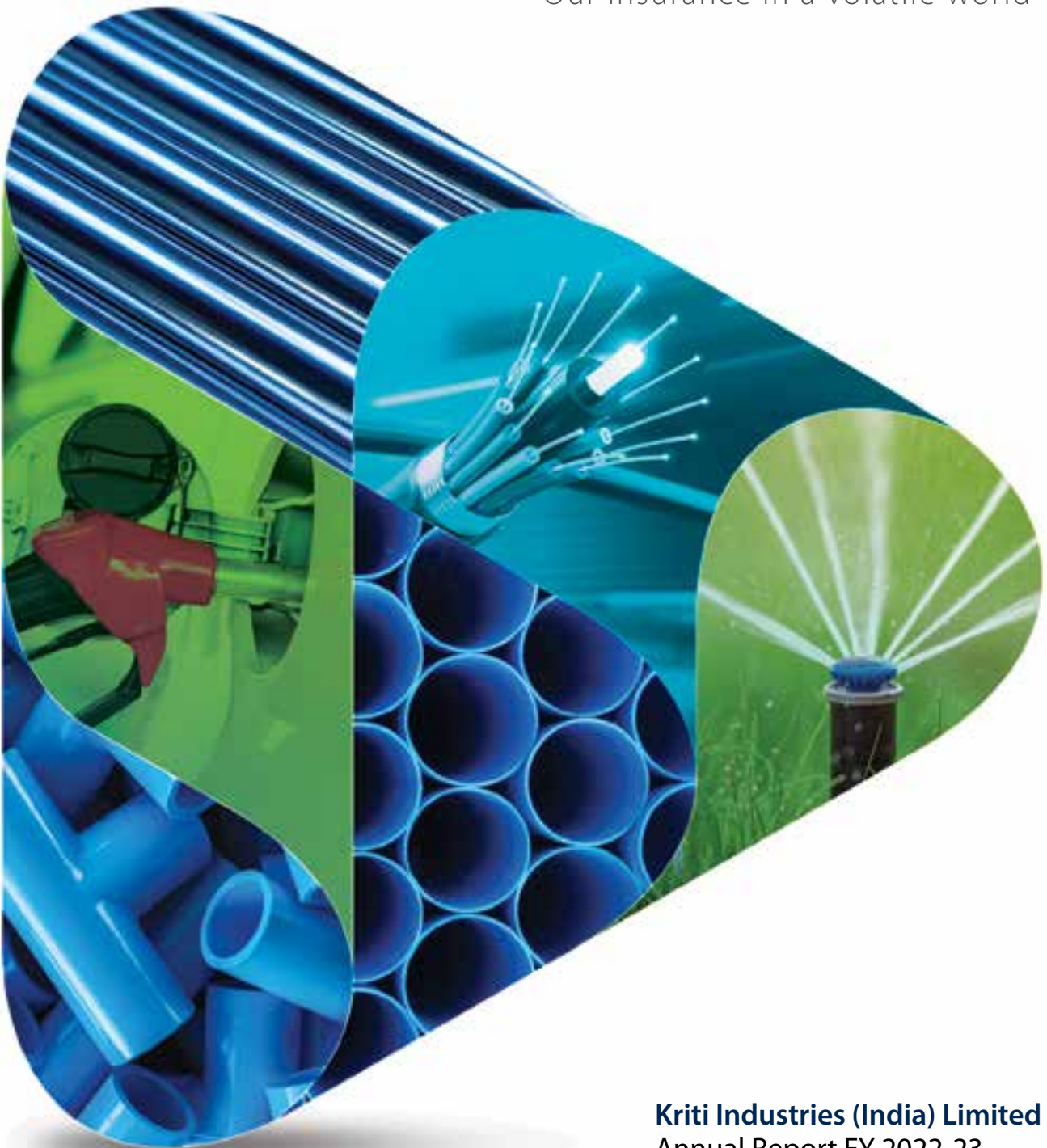
Company Secretary & Compliance Officer

Encl.: 33rd Annual Report for financial year 2022-23 alongwith Notice of AGM.



Do Right

Our insurance in a volatile world



Kriti Industries (India) Limited
Annual Report FY 2022-23

Contents

Corporate overview

02	Corporate Snapshot
06	Our journey across the decades
08	Our five year financial snapshot
12	Our sectorial context
14	Chairman's overview
16	Director's statement
18	Our responsible ESG focus at Kriti Industries
22	Board of Directors
24	Management discussion and analysis

Statutory section

31	Directors Report
50	Corporate Governance Report

Financial section

63	Standalone Financial Statements
106	Consolidated Financial Statements

Forward looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically, 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, certain forward-looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects' believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



Do Right

At Kriti Industries, 'Do right' is a commitment to enrich stakeholders.

When this transpires, the stakeholders assume emotional ownership of the company.

They do not say 'Somebody else will do it'; they respond proactively to deliver.

They do not say 'This is not my work'; they believe everything concerns them and they influence everything.

This was demonstrated during a challenging FY 2022-23. The company responded as one person and created a new foundation for its sustainable growth.

Kriti Industries Limited.

Among India's premier polymer pipe manufacturers.

Recognised for unquestioned quality, timely service and enhancing the prospects of its users.

The result is the company's ability to grow in a responsible, profitable and sustainable manner.

Enhancing value for all its stakeholders in a sustainable way.

Our vision

An energetic organisation on a long haul, charting a distinct course for customer admiration led by a disciplined team of vibrant people.

Our mission

- Adoption of green technology to conserve the environment and the reduction of our carbon footprint

- Cherishing mutually satisfying relationships

- Constant technological upgradations to maintain superiority

- Honesty in approach, transparency in work and dealings

- Encouraging innovation through creativity

- Contributing to the social and economic upliftment of the underprivileged in the society and in making the nation stronger

- Inculcating a team spirit amongst the workforce and ensuring their development through professional improvement in their capabilities and welfare for them and their families



Our values



Our background

Kriti Industries (India) Limited commenced business in 1982. The Company is promoted by Mr. Shiv Singh Mehta (Chairman and Managing Director), backed by a team of competent senior and middle-level managers who enjoy a multi-year exposure across sectors. The Company's employee strength stood at 605 as on 31st March, 2023.



Our business

The Company is engaged in the manufacture of polymer pipes. These comprise Poly Vinyl Chloride (PVC) and Poly Ethylene (PE) pipes used in the downstream applications of potable water supply, irrigation, building construction and infrastructure. The Company possesses a diverse pipes mix across sizes (small to large in diameter) covering classes and ratings.



Our governance

The Kriti Group comprises two listed companies - Kriti Industries (India) Limited and Kriti Nutrients Limited. The companies have earned respect due to their ethical business approach, transparent strategy, credible Board members, extensive automation, training, empowerment, rigorous compliance standards and a robust Balance Sheet.

Our presence

The Company's headquarters are based in Indore; its manufacturing facility is located in Pithampur. The Company's sales footprint extends largely across 16 States. Kriti deepened its presence across states like Madhya Pradesh, Rajasthan, Punjab, Haryana, Andhra Pradesh, Gujarat, Karnataka, Uttar Pradesh, Maharashtra and Telangana.



Our brand

The Company's proprietary brand Kasta commands a superior recall and traction for consistency, quality and service



Our listing

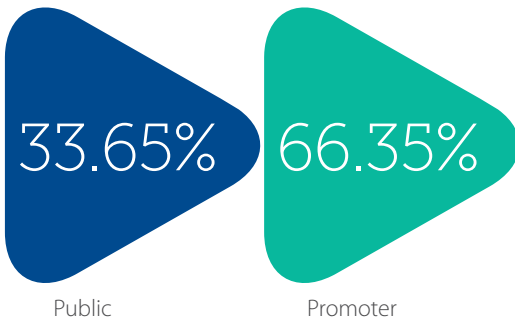
The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange. The Company's market capitalisation stood at ₹568.46 Cr as on 31st March, 2023. The promoters owned a 66.35 per cent stake in the Company's equity capital.



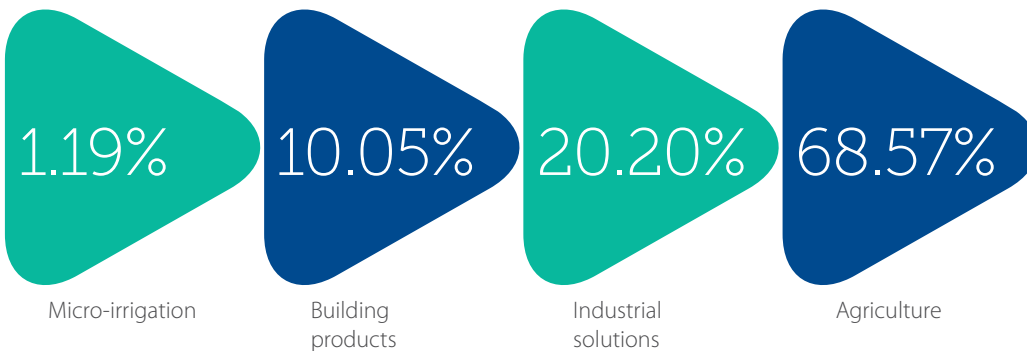
Our performance, FY 2022-23

The Company reported revenues of ₹736.00 Cr and a net loss of ₹23.41 Cr. The Company registered a cash loss of ₹14.27 Cr in FY 2022-23.

Shareholding pattern as on 31st March, 2023



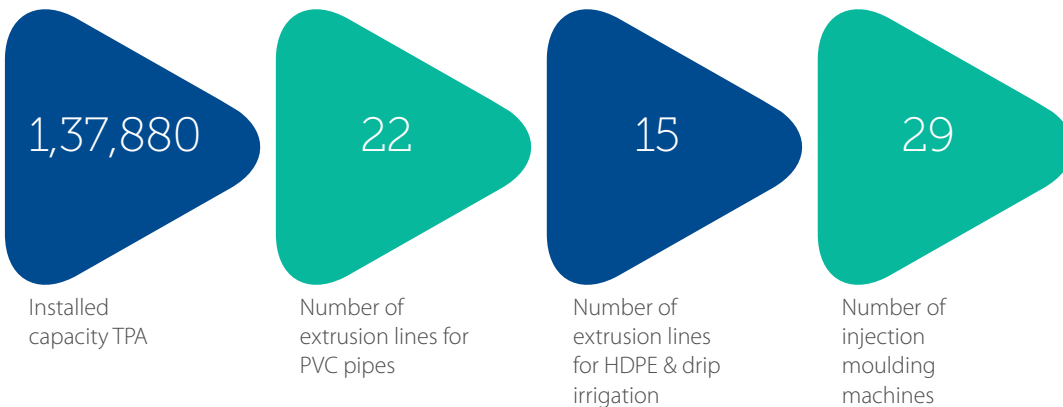
Segmental revenue breakup as on 31st March, 2023



Our consolidated manufacturing facility

Largest single location polymer pipe manufacturing plant in India

Installed capacity of 1, 37,880 TPA



Our journey across the decades

1983

- Entered business with a single screw extruder for manufacturing rigid PVC pipes
- Became a public limited company

1992

- Listed on BSE
- Started the manufacture of injection moduled fittings

1995

- Added a new range of injection molding products
- Widened offerings of RPVC pipes

1998

- Commenced manufacture of polyethylene pipes

1999

- Commenced the supply of co-extruded internally lubricated HDPE telecom ducts for laying optical fibre cables

2000

- Started the manufacture of HDPE pipes of 450mm diameter for potable water supplies & sewage disposal applications; commenced the manufacture of PLB HDPE ducts

2001

- Received ISO 9000
- Processed 15,000 tonnes of plastics



2003

- Expanded the plastic products range
- Widened the business to Rajasthan and Maharashtra
- Added leading institutional and Government department/ customers

2004

- Commissioned state-of-art facilities for white goods and automobile applications

2009

- Commenced the manufacture of large diameter pipes

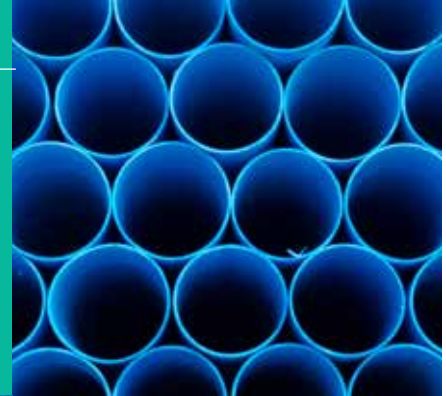


2010

- Started the manufacture of a range of micro-irrigation pipes
- Demerged the edible oil and soya business into Kriti Nutrients Ltd.

2014

- Introduced CPVC products, addressing the building products vertical



2015

- Commenced the supply of PE pipes for Reliance's coal-based methane project



2017

- Launched Mission Udaan addressing the sales and manufacturing functions

2018

- Widened the sales network to new states / territories

2019

- Enhanced capacity, process and efficiency
- Launched higher diameter PE pipes (710mm)

2020

- Embarked on various HR and business transformation initiatives

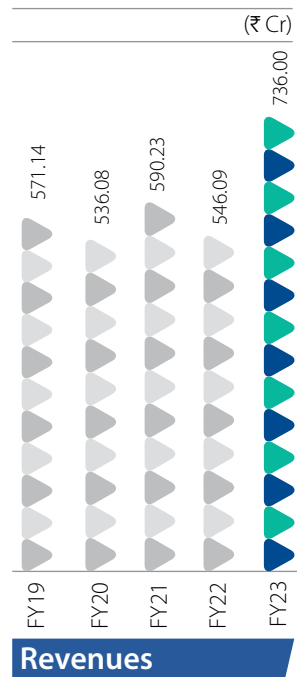
2021

- Was listed on NSE

2022

Higher Turnover achieved in all segments in volume and in value

Our five year financial snapshot

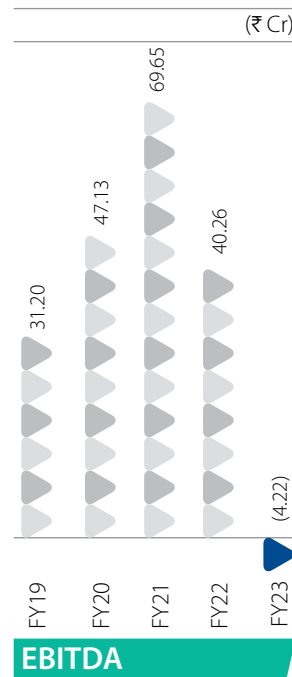


Definition
Growth in sales, net of taxes. .

Why this is measured
It is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the company's performance can be compared with sectoral peers.

What this means
Aggregate sales increased 34.78 per cent during the year under review on account of better demand.

Value impact
The volume offtake remained creditable in an otherwise challenging year for the economy, protecting the Company's industry visibility.

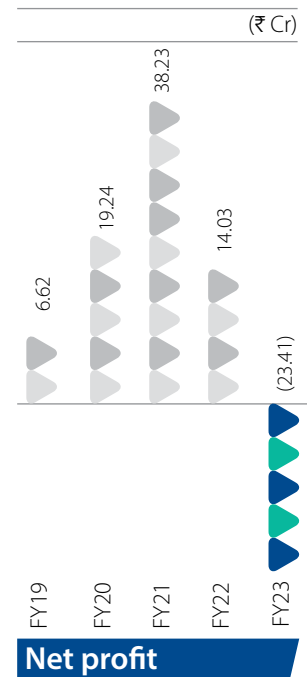


Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why this is measured
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

What this means
Helps create a robust surplus-generating engine that facilitates reinvestment.

Value impact
The Company reported a (4.72) per cent EBITDA in FY 2022-23 due to low price realisations.

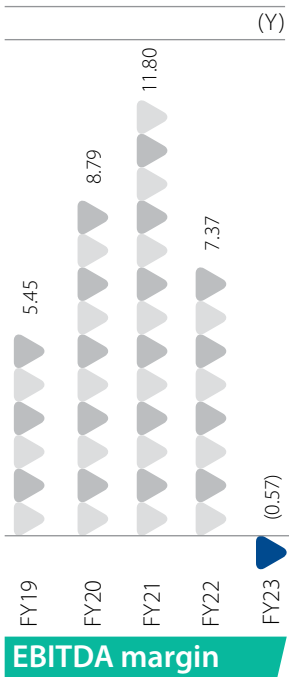


Definition
Profit earned during the year after deducting all expenses, taxes and provisions.

Why this is measured
It highlights the strength of the business model to enhance shareholder value.

What this means
This ensures the quantum of cash available for reinvestment.

Value impact
The Company reported a loss after tax ₹23.41 Cr in FY 2022-23 due to a volatility in costs.

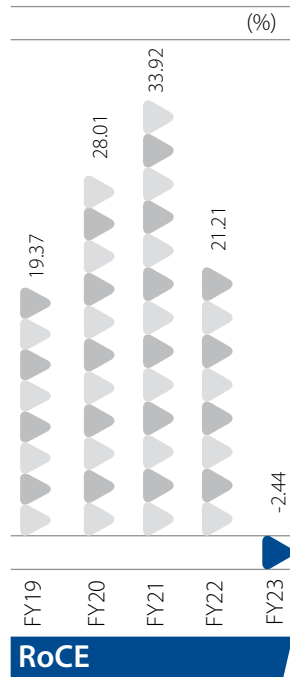


Definition
 EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

Why this is measured
 The EBITDA margin provides an index of how much a company earns (before interest and taxes) on each rupee of sales.

What this means
 This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

Value impact
 The Company reported a negative EBITDA margin of 0.57 per cent in FY 2022-23 on account of cost volatility.

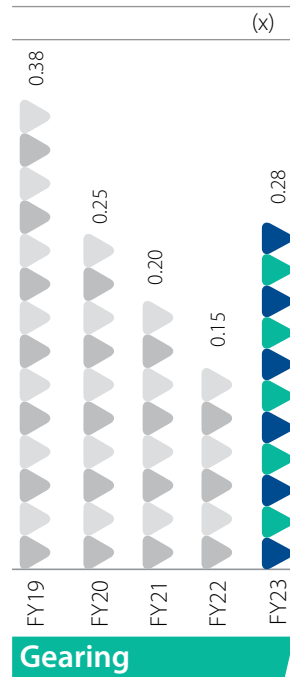


Definition
 This financial ratio measures efficiency with which capital is employed in the business.

Why this is measured
 RoCE is an insightful metric to compare profitability across companies based on their capital efficiency.

What this means
 Enhanced ROCE can potentially drive valuations and market perception.

Value impact
 The Company reported a (2.44) ROCE in FY 2022-23 following low realisations cost volatility.



Definition
 This is the ratio of debt to net worth (less Revaluation Reserves).

Why this is measured
 This is one of the defining measures of a company's solvency and liquidity.

What this means
 This indicates whether the company enhances shareholder value by keeping the equity side constant and progressively moderating debt.

Value impact
 The Company's gearing at 0.28 in FY 2022-23 compared to 0.15 in FY 2021-22 due to long term borrowing.



Definition
 This is derived through the computation of the average cost of the consolidated debt on the Company's books..

Why this is measured
 This indicates the company's ability in convincing debt providers of the robustness of the business model and negotiating a lower debt cost (leading to higher margins).

What this means
 This translates into enhanced cash flows and strengthens credit rating, leading to a decline in debt cost.

Value impact
 The Company's debt cost was 9.01 per cent in FY 2022-23, lowest in four years.



'Do Right' and Kriti Industries (India) Limited

Respect for human dignity

Core of our existence

Culture

Driven by a distinctive passion

Investing for the long-term

Influences our thoughts and actions

Deepening our governance

Focus on doing the right things and doing things right

Integrity

To work and think with the highest ethical conduct

Compliance

Respect for statutes, regulations and laws of the land

Process-driven

Focus on the 'how' over the 'what'

Value-addition

Focus on superior products, quality and realisations

Brand promise

Deepen recall around 'Trust' and 'Quality'

Relationships

Face-to-face relationships with primary and secondary customers

Value

Commitment to enhance value for all stakeholders

Solvency

Credible Balance Sheet with liquidity and credibility

Technology

Investing in performance-enablers

Do Right

A beacon

A guiding principle - a credo

A go to placewhen in doubt

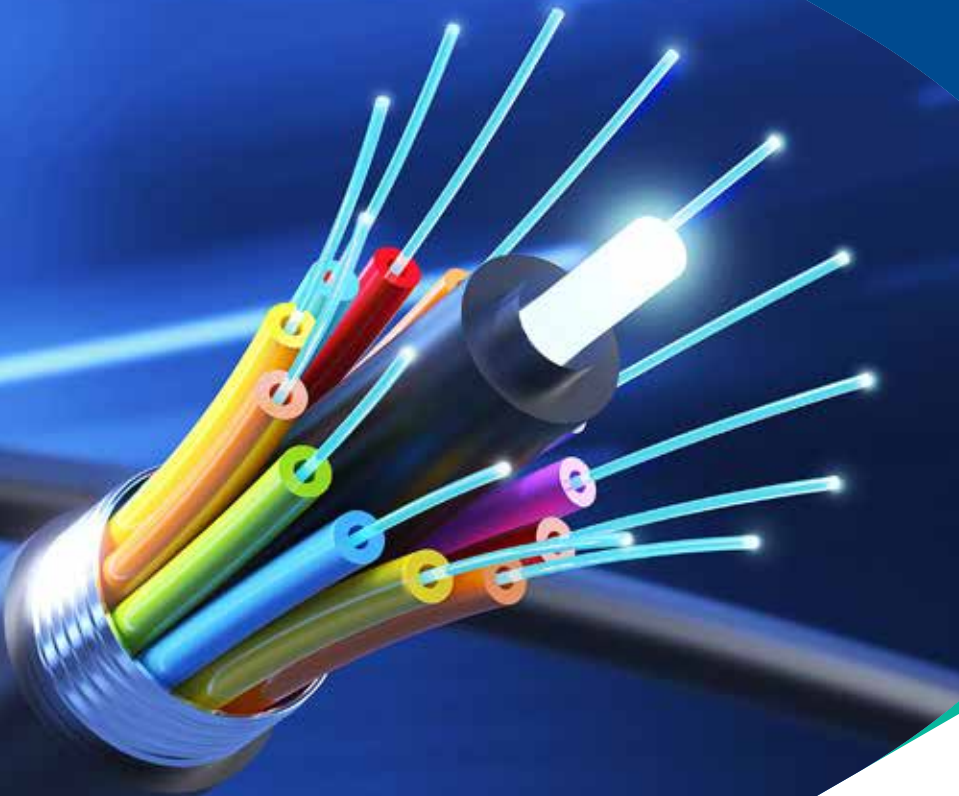
Meaningful

Evocative and provocative

Ring true – tone, style and manner

Our sectorial context

What makes
our business
relevant for
the long-
term



India will invest in a larger quantum and different varieties of polymer pipes across the future

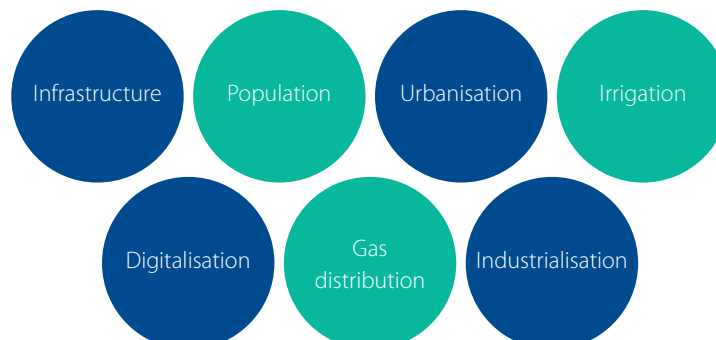
<p>Infrastructure growth</p> <p>The Indian government announced a ₹17.3 Lakh Cr expansion in its infrastructure across the last two Union Budgets, which is likely to cascade into wider downstream offtake possibilities</p>	<p>Population</p> <p>India surpassed China as the most populous country in 2023. India is expected to have a population of 1.67 Billion by 2050, higher than China's population estimate of 1.32 Billion people by the middle of the century. A growing population is expected to catalyse polymer pipes demand in India</p>	<p>Urbanisation</p> <p>According to UN World Urbanisation Prospects 2018, 50 per cent of India's population is expected to reside in urban areas in 2050 compared to 31 per cent in 2011. Growing urbanisation is expected to drive the real estate sector which will in turn fuel the growth of polymer pipes required for water supply and sanitation. (Source: Indian Express)</p>
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Irrigation

Polymer pipes are extensively used in irrigation applications due to their lightness, durability and a higher price-value proposition. India has increased its net irrigated area by nearly three times since 1950 to meet the growing demand for water from the agricultural sector. India's net irrigated area reached 70 Lakh hectares in 2022 from 20.8 lakh hectares right after independence. Irrigation intensity (ratio of gross irrigated area to net irrigated area) recorded an increase from 110 per cent in 1950-51 to around 144 per cent in 2017-18. Sustained growth in irrigated area has enhanced farmer investments in polymer pipes. (Source: Times of India)

<p>Digitalisation</p> <p>Polymer pipes contain optic fibers that enable smooth data transfer. Indian optical fiber and accessories market is expected to reach \$ 1.66 Billion by 2026, growing at a CAGR of 17.2 per cent from 2019. The growth is expected to be driven by the increased adoption of smartphone, broadband services and 5G rollout. Polymer pipes are likely to attract more demand as India deepens its digital presence from urban to rural areas.</p>	<p>Gas distribution</p> <p>India's city gas distribution market in India is expected to witness a CAGR of 10 per cent to grow from an estimated 9,223 MMSCM in 2020 to 25,570 MMSCM by 2030. The 11A city gas distribution round covered around 98 per cent of the population and 88 per cent of the total geographic area spanning across 295 geographical areas and 630 districts in 28 States and Union territories, propelling the demand of gas pipes</p>	<p>Industrialisation</p> <p>As fresh water becomes scarce, industrial consumers are expected to revamp the water system to ensure optimum utilisation. Various industries are implementing facilities to ensure zero ground water discharge and water conservation, which is expected to catalyse the demand of polymer pipes.</p>
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Polymer pipes will ride a convergence of trends in India



The Company's 'Do Right' commitment translated into a year of inspired performance in the face of unprecedented challenges

Overview

The year under review was among the worst of times and the best of times.

The year was unprecedented in terms of challenges on account of a major fire that took place in our manufacturing facility on 28th April, 2022, which coincided with the peak season. The fire damaged stock and other assets of ₹19.25 Cr. The losses were insured but the company had procured raw materials at a higher average price and could sell only at a lower price.

Besides, the loss was not merely financial. There was a loss of market presence for around 3 months, which enabled competing brands to occupy dealer mind space and retail shelves; there was a need to save whatever we could, normalise our operations with speed and recoup what had been temporarily yielded in terms of morale, machines and market share.



New Kriti

I am reminded of the visionary innovator Thomas Alva Edison. When he encountered a fire at his principal research facility, which consumed precious archival material related to new product development and innovation, he is said to have surveyed the ravaging fire, then turned to a colleague and said: 'Good! Now we can rebuild and make this even better!'

I was not similarly inspired when the fire transpired but if there is one feature that stood out distinctively it was the response of all those who work at Kriti Industries. A number of them risked physical safety to save whatever we could of our manufacturing facility and resource inventory; every single team member resolved to rebuild with speed and determination. It is indeed an irony that the greatest hour of our company was reflected in its most challenging moment; it is when all appeared lost, did we discover what we had been made of.

The most decisive moment transpired the day after the fire. It was a moment when most people in our place would have conducted an exhaustive post-mortem and gone into review mode. The Kriti team acted different; it resolved to resume manufacturing operations the following day itself (however nominally). The result is that despite a setback of unprecedented magnitude, we were never defeated. Besides, even as the objective for most would have been to merely resume operations, the Kriti team went one further. The focus was 'How can we make the good even better?'

That is how operational clawback commenced. Even as we should have been content with mere resumption the way it was done in the past, we went one decisive step further: we redesigned the plant layout, we balanced equipment capacities to generate a superior throughput, we digitalised manufacturing functions, we increased the manufacturing capacity of moulded products, we increased the capacity to manufacture value-added and extruded products, we enhanced our power access, and we embarked on the adoption of salesforce software.

At Kriti, we set about transforming adversity into opportunity. .

Outcome

In the normal run of things, the last financial year should have been a financial write-off.

I am pleased to present our performance instead.

The company reported a 34.78 per cent growth in revenues from ₹546.09 Cr in FY 2021-22 to ₹736.00 Cr in FY 2022-23. The company reported an unprecedented loss in the second quarter of the last financial year of ₹34.59 Cr but turned PAT-positive in the third quarter and went on to report a handsome recovery in the

We are optimistic that following various initiatives we will be able to generate a higher manufacturing throughput on the one hand and sell more even across the months, smoothening the sales curve across the quarters. We are addressing this growing market with a wider distribution presence and range, strengthening the visibility of our brand.

Conclusion

I am optimistic that the future appears brighter than ever.

The company's turnover is expected to grow by 25 per cent in the current financial year. What we have in our favour is enhanced farmer awareness on the use of quality pipes, the increased use of

At Kriti Industries, if there is one term that faithfully captures the direction of the company, it is 'broadbasing'. For a number of years, the company focused on the agriculture sector, convinced that irrigation would grow in importance. The numbers indicated that of India's total agricultural area, only 51 per cent was rain-fed, a large room for irrigation systems to widen or deepen their coverage. As India's irrigation movement grew, the corresponding size of its pipes sector widened.

fourth quarter. Should we maintain the run rate of the last quarter of FY 2022-23, we would be attractively placed to report a record performance in FY 2023-24.

Granular growth

At Kriti Industries, we are not merely keen on playing the game as well as we had played it before the mishap; we are keen on transforming the game as well.

Our agriculture-focused pipes business will match the industry growth rate of 20 per cent during the current financial year, riding the fact that a larger number of farmers – buoyed by increased support prices and bountiful harvests – will engage in aggressive capital expenditure to enhance their irrigation coverage.

Our building materials business is expected to double during the current financial year. We expect this to be the first sizable growth year in a sequence of such years as we widen and deepen our distribution coverage.

premium pipes and the utilisation of a wider pipes range.

Kriti Industries intends to capitalise on this industry buoyancy by reporting yet another year of stand out performance during the current financial year, the first of what we believe should be the golden age of our company.

Shiv Singh Mehta, Chairman

The Company faced challenges to cope with increased raw material prices and expects to strengthen margins in the coming years.

Overview

We are pleased to announce that the company performed creditably amidst challenging circumstances.

The Company's operations were disrupted by the fire incident in the Pithampur plant, an unforeseen and rare accident. The plant fire safety management team took proactive measures to control the situation without casualties. However, stock and other assets worth ₹192.5 Million were damaged. The incident took place during the peak demand season, affecting revenues.

Since the inception of the company, the company prioritised plant and people safety. A separate Employee Health and Safety department was set up with safety officers across different plant sites. The Company conducted mock safety drills, safety training sessions, distributing



employee safety kits and installing safety equipment. This incident - the first in our history – indicates that we could have done better and the endeavour will be to build on this learning, tighten our systems and create new benchmarks.

The continued decline in PVC resin prices from ₹141 per kg in April 2022 to ₹77 per kg in November 2022 impacted the profits of the polymer processing industry in the first half of FY2023 and it is only by December 2022 that costs and realisations stabilised. The fact that the company sustained its operations, protected its brand, prevented the Balance Sheet from impairment and rebounded to address volatile realities with speed indicates the strength of the business model.

Capitalising on opportunities

Even as a sharp reduction in PVC prices resulted in inventory losses, there was a small silver lining: the company's products became more affordable and entailed a smaller working capital outlay. The agricultural sentiment, the company's largest customer, improved as the country recorded an above-normal monsoon, marked by 6 per cent more rain than the long period average.

Sectorial experts had indicated that PVC resins demand would revive during the second half of the financial year, marked by the renewed spending of customers who had deferred capital expenditure on account of high raw material prices across 18 months. The Company undertook a capital expenditure of ₹30 Cr to enhance capacities and widen the product range, preparing for the emerging opportunity.

The Company faced resource supply limitations for almost seven months before the peak season. In this production-constrained environment, the company addressed the needs of long-term dealers; the company moderated building material supplies during that period and addressed the growing need for irrigation pipes. The company added manufacturing capacities to address the growing demand from both segments.

Operational performance

The Company registered a sales volume growth of 55.78 per cent from 37969 metric tonnes in FY 2021-22 to 59148 metric tonnes in FY 2022-23. The company's revenues increased by 34.78 per cent from ₹546.09 core in FY 2021-22 to ₹736.00 Cr in FY 2022-23. The Company addressed the agriculture segment demand and achieved 50 per cent sales growth during the year under review. The Company's building pipe segment grew 57 per cent, driven by growth in the second half of FY 2022-23.

The Company reported a negative EBITDA during FY 2022-23 on account of lower sales and margins. The net loss of the company stood at ₹23.41 Cr. The Company's EBITDA margin reduced on account of the cost volatility.

partner engagement in rural agricultural markets and construction activities. These activities will deepen, making it possible for the company's additional output to be marketed profitably across target markets.

Way forward

The Company's focus will be retail-driven in the agriculture segment, a segment marked by large volumes, room to provide solutions and capacity to generate superior realisations. Besides, a presence in this segment will serve as an insurance during weak market cycles, broadbasing the company's revenues from being extensively impaired by customer attrition.

In the building products segment, the Company will increase focus on institutional sales. The Company widened the range of building product and

The Company is focusing on deepening its recall with the end consumer through periodic engagements with its retail distribution network. It aims to create a robust dealership as the company enjoys superior brand equity in the areas where it is strong.

Strengthening the brand

The Company is focusing on deepening its recall with the end consumer through periodic engagements with its retail distribution network. It aims to create a robust dealership as the company enjoys superior brand equity in the areas where it is strong. The Company aims to develop a more robust and sustainable retail base to address customers in all segments and geographies.

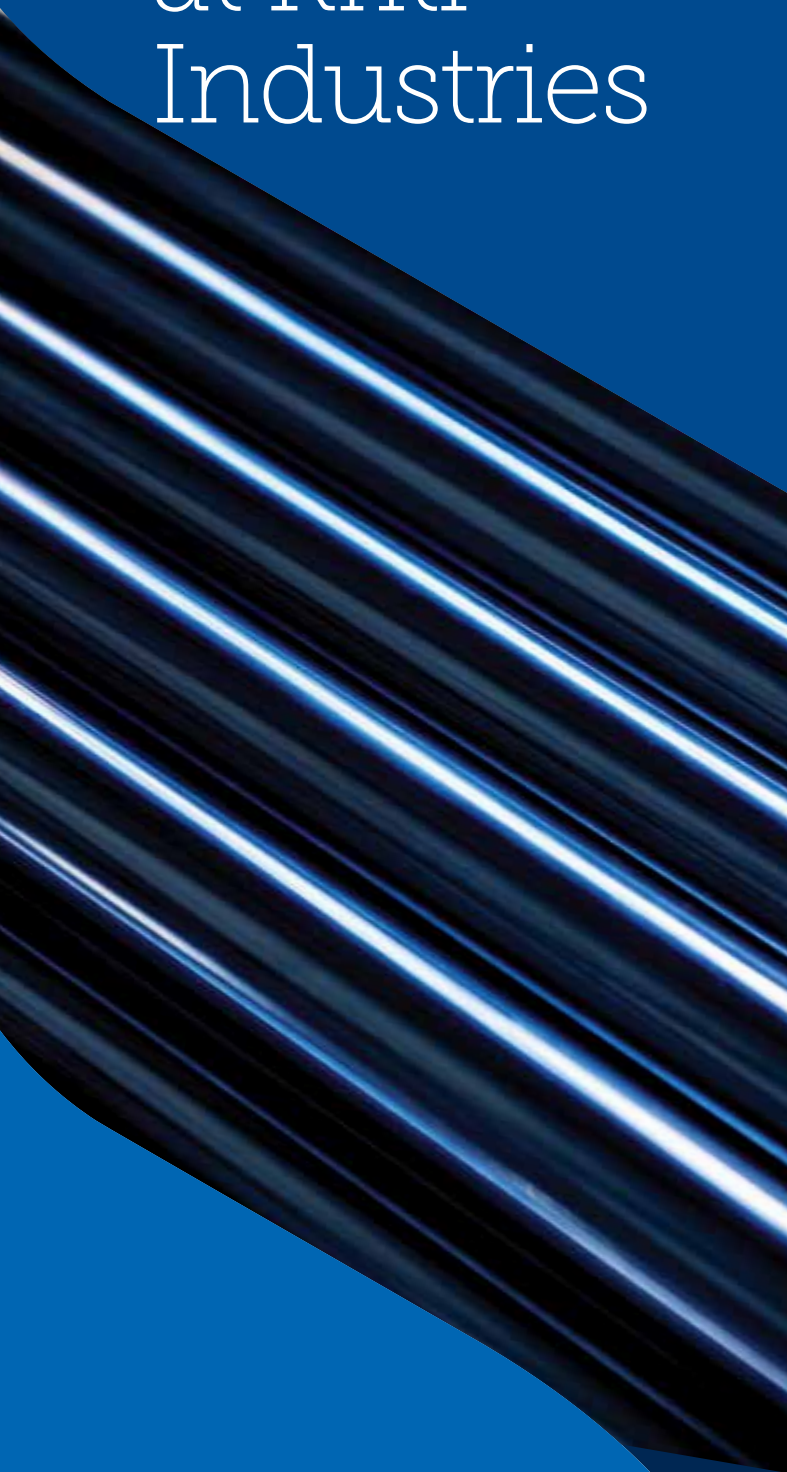
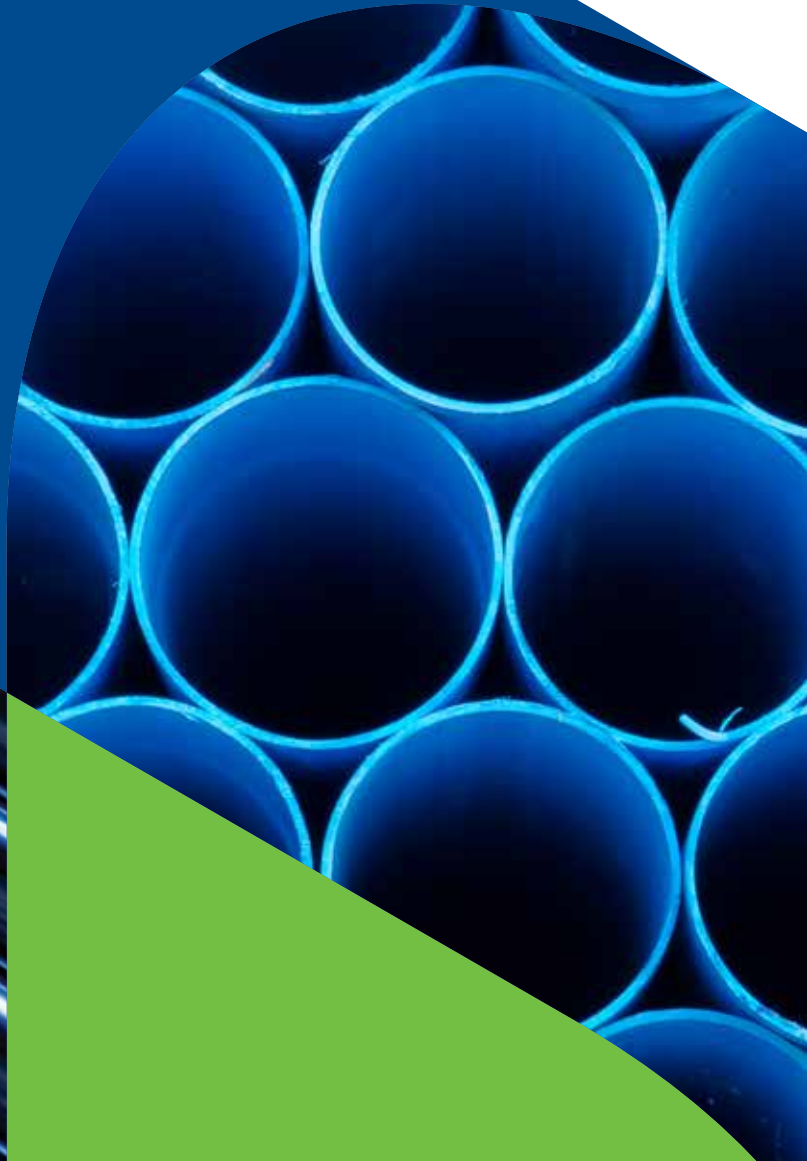
The Company's strategy is marked by a greater focus on leveraging its strengths. The company graduated to a critical mass in terms of visibility and volumes through a sustained focus on trade

column pipe SKUs, creating a foundation of quicker growth. This segment is non-cyclical nature and marked by value-addition, potentially enhancing profitability.

The Company is attractively placed to capitalise on capacity expansions and value-added product additions, leading to enhanced stakeholder value.

Saurabh Singh Mehta,
Managing Director

Our responsible ESG focus at Kriti Industries



Overview

At Kriti Industries, we believe that ESG connects with enhanced competitiveness and sustainability. This competitiveness, among other measures, is manifested in topline growth, cost reduction, minimised regulatory and legal interventions, increased employee productivity and optimised investment returns.

The essence of ESG has been seeded into our business intent. As a part of the ESG journey, we will continue to strengthen our platform and reinforce our presence as responsible corporate citizen.

The environment component at our Company ensures that our business consumes environmentally responsible resources, consumes only as much as is moderately needed, recycles waste, consumes moderate fossil fuels and builds resistance to climate change.

The social component addresses the need to invest in employees, vendors, customers and community engagement, a framework of relationships that protects the Company from unexpected supply or demand or production shocks.

The Company's commitment to governance comprises the articulation of business strategy, values, codes of conduct, Board responsibilities and composition.

The company reinforced its operational discipline through the following certifications:

- ISO 9000
- ISO 14000
- ISO 45000

Our environment commitment

Environment management is an index by which companies are appraised for their value-creation capability. Companies competent in their environment management are perceived better by investors, enhancing market valuation.

At Kriti Industries, we are committed to reduce energy quantity, greenhouse gas emissions intensity and graduate from legacy to clean processes. The Company has articulated the direction, controls, environment management systems, due diligence and disaster planning cum response systems. The Company invested in a knowledge-driven environment, employing subject matter experts. The business is driven by processes, systems and information technology. Kriti Industries is driven by a spirit of continuous improvement, examination of processes and materials with the objective to seek cleaner alternatives.

Environment goals

- Moderate carbon footprint
- Preserve biodiversity
- Use 5R's (replace, re-use, renewable, recycle, reduce)
- Superior environmental rating

- Consistent audit and investment in environment compliance
- Disclose environment performance

Environment initiatives

- The Company installed a 4.5 MW open access solar power plant and 1.8 MW rooftop solar energy capacity in the Pithampur plant.
- The Company curated an artificial jungle in its yard to showcase pipes and fittings in addition to enhancing greenery
- The Company undertook power saving projects wherein it replaced induced type cooling towers with mist cooling, helping maintain the temperature without cooling fan.
- The Company replaced the induction heater with the latest technologies instead of a normal resistance heater, leading to power savings and increased productivity.
- The Company possesses an in-house sewage treatment plant to reuse liquid waste.
- The Company planted 300+ trees in two years

Achievements, FY 2022-23

*23 per cent of the total energy consumption was accounted for by solar.

*Reduced water consumption from 2.2 Kilo litres per metric tonne in FY 2021-22 to 1.8 Kilo litres per metric tonne

*Reduced power consumption from 0.55 units per kg in FY 2021-22 to 0.47 units per kg

Our social commitment

The 'S' in ESG, social criteria, addresses the relationships our Company enjoys and the reputation it fosters with employees, customers, vendors and institutions in the communities where we do business. 'S' comprises the role of harmonious industrial relations, diversity and inclusion. At Kriti Industries, our people-driven ferment has progressively enriched, resulting in sustainable and superior performance

Social goals

- Moderating attrition across a large workforce
- Focus on knowledge, experience and retention
- Enhanced investments in training
- Living a culture of passion
- Addressing the growing needs of customers
- Serving communities

Social initiatives, FY 2022-23

- The Company conducted periodic health checks, eye testing and blood donation camps for employees
- The Company distributed medicines in proximate villages
- The Company donated books and study materials in various schools
- The Company sustained its mediclaim Policy for its employees; its canteen offered hygienic and nutritious food
- The Company undertook employee engagement programmes (cultural meet, Diwali and Holi celebrations) and birthday celebrations
- The Company provided a bus facility to employees and encouraged a work-life balance
- The Company installed state-of-the-art fire hydrant systems to improve its fire protection system.

Our governance commitment

At Kriti Industries, we are committed to credible governance that enhances our respect as a responsible corporate citizen. Corporate governance comprises rules, protocols and processes by which the Company is managed. The spirit of

governance balances the interests of all stakeholders (shareholders, management, customers, suppliers, financiers, government and community). This makes governance integral to our existence.

Trust: At Kriti Industries, we have created a confidence that enhances stakeholder engagement through lived actions. Your company has established a strategic clarity in generating long-term shareholder value through prudent capital allocation, equity protection from dilution, under-borrowed Balance Sheet and synergic investments.

Board of Directors: At Kriti Industries, we have placed a premium on our Board composition, comprising professionals and industrialists of standing. These individuals have enriched our values, experience, multi-sectoral business understanding and strategic quality.

Discipline: A governance consistency has helped the company maintain a delta (margin in lieu of our raw material processing capability or service delivery) through market cycles. Discipline has enhanced organisational consistency, taking shocks out of the system and attracting stakeholders who believe in

doing business this way.

Data: At Kriti Industries, we invested in digitalisation to accelerate processes and generate data (consumers, customers, consumption, markets etc.) leading to informed decision making

Controlled growth: At Kriti Industries, we allocate accruals into incremental investments, which has helped the company grow sustainably without stretching the Balance Sheet or managerial bandwidth. Steady growth is a safe response: it funds investments through accruals and protects the brand

Process-driven: At Kriti Industries, a framework of processes and SOPs provides a scalable foundation that empowers the company to grow profitably without a significant increase in employees required to manage operations.

Audit and compliance-driven: At Kriti Industries, we strengthened an audit-driven and compliance-driven approach, enhancing the credibility of our reported numbers (with no statutory penalties).

Board of Directors



Mr. Shiv Singh Mehta

Chairman and Managing Director

Tenure on Board: 34 years

Education: Bachelor's degree in Electrical Engineering and Master Degree in Business Administration

Strengths: Finance, marketing, technical and business administration

Achievements: Awarded Arya Chanakya (MP) Award for Corporate Governance and Corporate Social Responsibility and the Plastindia Foundation Award for his contribution to India's plastics industry.

Previous experience:

President of Plastic Processors of India.

Areas of expertise:



Mr. Saurabh Singh Mehta

Director

Tenure on Board: 5 years

Education: Bachelors of Engineering in Computer Science from Ohio State University and MBA from S.P. Jain Institute of Management & Research.

Strengths: 11+ years of experience in administration, marketing and IT.

Areas of expertise:



Ms. Purnima Mehta

Whole-Time Director

Tenure on Board: 23 years

Education: B.A. (Honours) and PGDBM.

Strengths: Accounts & finance, purchase, IT, HR and administration. Holds the membership in Audit Committee, Stakeholders Relationship Committee and CSR Committee.

Areas of expertise:



Areas of expertise

- Financial diversity
- Global business
- Leadership
- Technology
- Mergers and acquisitions
- Board service and governance
- Sales and marketing
- Sustainability and ESG
- Risk expertise



Mr. Rakesh Kalra

Independent Director

Tenure on Board: 17 years

Education: B.Tech from Birla Institute of Technology and Science, Pilani.

Strengths: Four decades of experience in engineering and automobile industry.

Other appointments: President of Foton India Operations.

Previous experience: Eicher Motors and Mahindra Navistar from initial stages and grew them into formidable players.

Areas of expertise:



Mr. Manoj Fadnis

Independent Director

Tenure on Board: 17 years

Education: Graduate degree from Devi Ahilya University, Diploma in Information Systems Audit (DISA) and a Chartered Accountant.

Strengths: Specialised in Corporate Accounting & Reporting Standards, Direct Taxes, Corporate Laws and FEMA.

Achievements: Presented more than 1000 technical papers in seminars and conferences within India and internationally.

Other appointments: Partner at Fadnis & Gupte and a board member of Yes Group and Federal Bank.

Previous experience: President of ICAI in FY 2015-16, Chairman of Accounting Standards Board in FY 2010-13, President of Confederation of Asian Pacific Accountants in FY 2017-19.

Areas of expertise:



Mr. Chandrasekhran Bhaskar

Independent Director

Tenure on Board: 7 years

Education: B.Tech. (Chemical engineering), MIMA, PGDM (IIM-Calcutta).

Key strengths: Experience of 39+ years in consulting industry. Expertise in corporate and business planning, market research, asset revaluation, marketing, operations and factory management.

Other appointments: Elected Fellow of the Indian Plastics Institute.

Previous experience: Associated with Tata Sons Limited/Tata Economic Consultancy service for 5 years and 33 years with Xpro India Limited.

Areas of expertise:



Mr. Hitendra Mehta

Independent Director

Tenure on Board: 1 year

Education: Bachelor's Degree in Civil Engineering

Key strengths: Renowned Indian designer in construction industry and architect engaged in urban planning and project management

Other appointments: Architect in the name of his consultancy firm Mehta and Associates LLP (extended operations to the whole of Madhya Pradesh, Gujarat, Rajasthan, Maharashtra, Chhattisgarh, Andhra Pradesh and Delhi with 150+ specialised professionals)

Areas of expertise:



Management discussion and analysis

Global economy

Overview: The global economic growth was estimated at a slower 3.2 per cent in 2022, compared to 6 per cent in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7 per cent in 2022, among the highest in decades. US consumer prices decreased about 6.5 per cent in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of USD26 trillion from peak, equivalent to 26 per cent of the global gross domestic product (GDP).

In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10 per cent.

Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4 per cent to \$55.3 Billion in April-December. The decline was even sharper in the case of FDI inflows as equity: these fell 15 per cent to \$36.75 Billion between April and December 2022. Global trade expanded by 2.7 per cent in 2022 (expected to slow to 1.7 per cent in 2023).

The S&P GSCI TR(Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (per cent)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

Performance of major economies

United States	China	United Kingdom	Japan	Germany
Reported GDP growth of 2.1 per cent compared to 5.9 per cent in 2021	GDP growth was 3 per cent in 2022 compared to 8.1 per cent in 2021	GDP grew by 4.1 per cent in 2022 compared to 7.6 per cent in 2021	GDP grew 1.7 per cent in 2022 compared to 1.6 per cent in 2021	GDP grew 1.8 per cent compared to 2.6 per cent in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook

The global economy is expected to grow 2.8 per cent in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7 per cent. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK, and South Korea are not

in a recession. Approximately 70 per cent of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession, and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance.

Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9 per cent in 2024. Interestingly, even as the global economy is projected to grow less than 3 per cent for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market.

India's economic growth is estimated at 7.2 per cent in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global

economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth (per cent)	3.7	-6.6 per cent	8.7	7.2

(Source: Budget FY24; Economy Projections, RBI projections)

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (per cent)	13.1	6.3	4.4	6.1

According to the India Meteorological Department, the year 2022 delivered 8 per cent higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 Million metric tons (MMT) in FY 2022-23 from 107 MMT in the preceding year. Rice production at 132 Million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 Million hectares from 28 Million hectares. Due to a renewed focus, oilseeds area increased 7.31 per cent from 102.36 Lakh hectares in FY 2021-22 to 109.84 Lakh hectares in FY 2022-23.

India's auto industry grew 21 per cent in FY 2022-23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 Million units in FY 2022-23, crossing 3.2 Million units in FY19. The commercial vehicles segment grew 33 per cent. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84 per cent.

Till the end of Q3 FY 2022-23, total gross non-performing assets (NPAs) of the banking system fell to 4.5 per cent from 6.5 per cent a year ago. Gross NPA for FY 2022-23 was expected to be 4.2 per cent and a further drop is predicted to 3.8 per cent in FY2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY 2022-23 was estimated at 16.5 per cent to \$714 Billion as against \$613 Billion in FY22. India's merchandise exports were up 6 per cent to \$447 Billion in FY 2022-23. India's total exports (merchandise and services) in FY 2022-23 grew 14 per cent to a record of \$775 Billion in FY 2022-23 and is expected to touch \$900 Billion in FY24. Till Q3 FY 2022-23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to \$18.2 Billion, or 2.2 per cent of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 Lakh Cr and 6.4 per cent of GDP for the year ending March 31, 2023. (Source: Ministry of Trade & Commerce)

India's headline foreign direct investment (FDI) numbers rose from US\$74.01 Billion in 2021 to a record \$84.8 Billion in FY 2021-22, a 14 per cent Y-o-Y increase, till Q3 FY 2022-23. India recorded a robust \$36.75 Billion of FDI. In FY 2022-23, the government was estimated to have addressed 77 per cent of its disinvestment target (₹50,000 Cr against a target of ₹65,000 Cr).

India's foreign exchange reserves, which

had witnessed three consecutive years of growth, experienced a decline of approximately \$70 Billion in 2022, primarily influenced by rising inflation and interest rates. Starting from \$606.47 Billion on April 1, 2022, reserves decreased to \$578.44 Billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by March 31, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66 per cent in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3 per cent during the period. In 2022, CPI hit its highest of 7.79 per cent in April; WPI reached its highest of 15.88 per cent in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5 per cent, its lowest in months.

India's total industrial output for FY 2022-23, as measured by the Index of Industrial Production or IIP, grew 5.1 per cent year-

on-year as against a growth of 11.4 per cent in FY 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022. As of March 2023, India's unemployment rate was 7.8 per cent.

In FY 2022-23, total receipts (other than borrowings) were estimated at 6.5 per cent higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1 per cent Y-o-Y in RE 2022-23.

The total gross collection for FY 2022-23 was ₹18.10 Lakh Cr, an average of ₹1.51 Lakh a month and up 22 per cent from

FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 Lakh Cr. For 2022-23, the government collected ₹16.61 Lakh Cr in direct taxes, according to data from the Finance Ministry. This amount was 17.6 per cent more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8 per cent over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of \$2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was

estimated to have grown 7.3 per cent in FY 2022-23.

Outlook: India is expected to grow around 6-6.5 per cent (as per various sources) in FY2024, catalysed in no small measure by the government's 35 per cent capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4 per cent is less than India's GDP estimate of 6.8 per cent and America and Europe are

Union Budget FY 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33 per cent to ₹10 Lakh crores, equivalent to 3.3 per cent of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of ₹5.94 Lakh Cr was made to the Ministry of Defence (13.18 per cent of the total Budget outlay). An announcement of nearly ₹20,000 crores was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97

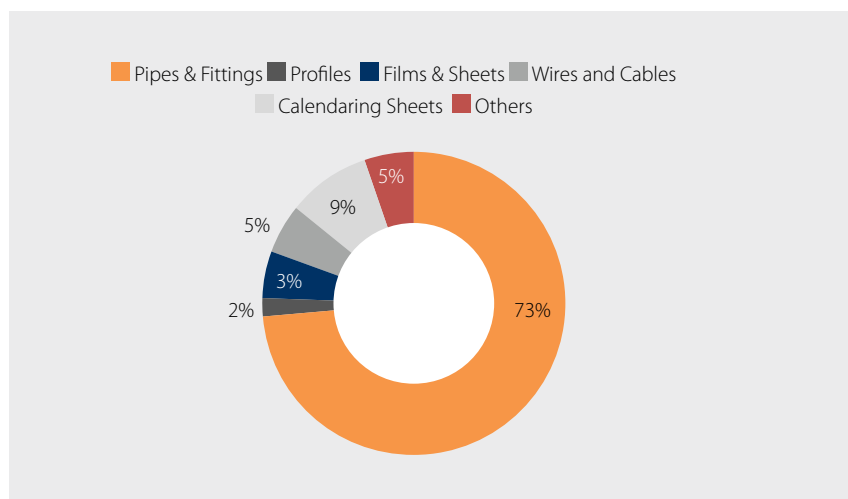
Lakh Cr was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in FY24 by 16-21 per cent to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Indian PVC market review

The polyvinyl chloride (PVC) demand in India stood at 2,888 KTPA in 2022 and is expected to reach 6,779 KTPA by 2031, growing at a CAGR of 6.81 per cent between 2022 and 2031.

Growing agriculture sector along robust infrastructure development, rapid industrialisation and rising urbanisation are major factors expected to catalyse PVC demand in the coming years. Besides, rising investments in industrial and commercial infrastructure are increasing the demand for PVC in pipes and fitting production industries. Moreover, a rising usage of PVC in flooring application across domestic, commercial and industrial premises, due to its durability, ease of installation, recyclability and availability in variable thicknesses would aid market growth. Favourable government policies and investments, rising population and growing construction activities are expected to drive the Indian PVC market. Source: marketwatch.com)

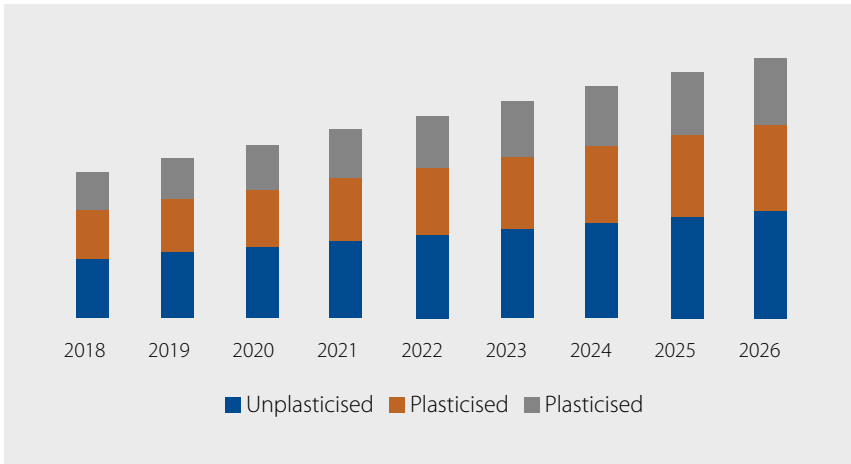
Pipes & Fittings-largest end consumer market for PVC in India



Merits of PVC pipes

- High durability compared to steel and concrete pipes
- Moderate costs for maintenance and installation
- Increased corrosion resistance resulting in safe drinking water
- Highly eco-friendly compared to other pipes and recyclable
- Growing resistance to harmful chemicals and disinfectants
- Easy to install; protected for workers
- Increased flame resistance; ignition point of 450 degrees Celsius

India PVC Pipes Marker, by product



(Source: maximizemarket research.com)

Types of PVC pipes

UPVC pipes: UPVC pipes are the most widely used with a market size of ~ ₹212 Billion in FY 2019-20. UPVC pipes have been aided due to elements like affordability and durability compared to galvanised iron pipes. Irrigation and agriculture related activities contribute nearly 65 per cent demand of these pipes while the remaining is contributed by the residential and commercial plumbing. The UPVC market size stood at USD 48.10 Billion in 2021 and is expected to register revenue CAGR of 6.8 per cent during the forecast period. Steady growth of the construction segment and growing adoption of UPVC pipes for construction is expected to drive revenue of the segment. UPVC is the ideal option for pipes to be used in bore wells due to its high resistance to mineral exposure, corrosion and high tensile strength to endure the effects of extreme physical conditions. These pipes are preferred in the transportation of chemicals, oils and

other similar liquids due to their strength and neutrality. These pipes are expected to grow at 10-11 per cent CAGR over FY 2019-20 to FY 2023-24, largely led by the agriculture and plumbing segments.

CPVC pipes: CPVC pipes are preferably used in plumbing applications, along with hot and cold, potable water distribution systems. The CPVC segment possesses immense growth potential in India due to certain features like ability to withstand high temperatures, longevity, fire resistant, being corrosion and lead-free. CPVC is mainly segmented into two types based on end use applications: (a) pipe grade and (b) fitting grade. Most of the raw materials used are imported; as a result, branded players maintained a strong position in this segment. CPVC pipes are used as a material for water piping systems in residential along with commercial construction to combat corrosive water at temperatures of 40°-50°C or above. The segment is expected

to grow at a ~ 15-17 per cent CAGR between FY 2019-20 to FY 2023-24 fuelled by the plumbing segment, demand for which is largely B2C in nature. CPVC pipes are ideally suited for self-supporting constructions where temperatures go up to 90°C.

HDPE pipes: The HDPE pipes segment is expected to witness 10-11 per cent CAGR over FY 2019-20 to FY 2023-24. These pipes are mainly used in irrigation, sewerage and drainage, city gas distribution, chemical and processing industries. These pipes have been gaining prominence compared to traditional metal and cement pipes due to their longevity, low maintenance and durability.

PPR pipes: PPR pipes are prominently used in various industrial applications and are comparatively expensive compared to other plastic pipes. This segment accounts for 4-5 per cent of Indian plastic pipes industry and is expected to witness a CAGR growth of 6-7 per cent between FY 2019-20 and FY 2023-24. (Sources: Chemanalyst, Equirius securities)

Growth drivers of plastic pipe sector

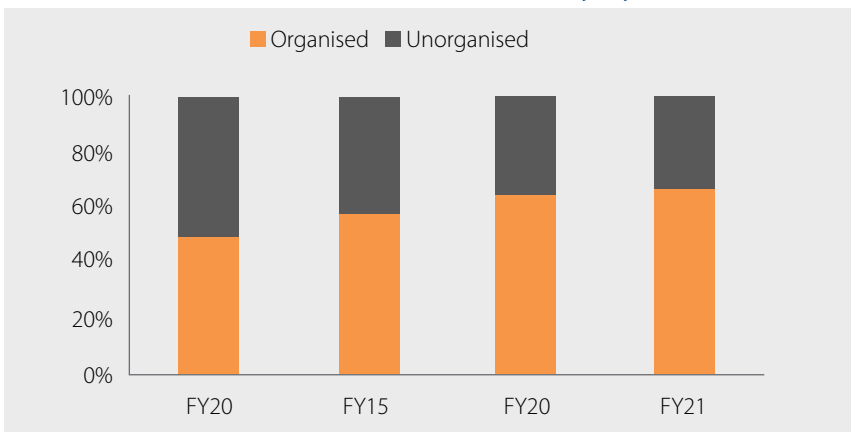
Seamless water supply: Uninterrupted water supply is a necessity in residential projects and irrigation. Therefore, consumers have increasingly spent on piping through new demand generation or the replacement of existing pipes.

Downstream applications: There are multiple downstream applications of plastic pipes such as irrigation (45 per cent of demand), real estate plumbing and WSS (38 per cent), urban/semi-urban sewerage infra (12 per cent) and industrial uses (<5 per cent)

Economical: Pipes, though bulky in nature, are low priced products, especially in residential real estate. The overall piping cost is generally 1-2 per cent of the residential project.

Growing awareness: Pipes have to be concealed during the time of construction and any leakage or joint loosening requires masonry work, which damages the paint, tiles and the overall look of the house; thus, maintenance cost becomes higher in case of a pipe burst. With increasing awareness about durability of plastic pipes and BIS standards, residential consumers (UPVC, CPVC) and farmers (UPVC) are increasingly opting for better quality pipes to minimise these problems

Organised segment share consistently improves in last decade due to favourable industry dynamics



Source: Company, Equirius Securities

Major end user plastic pipe segments

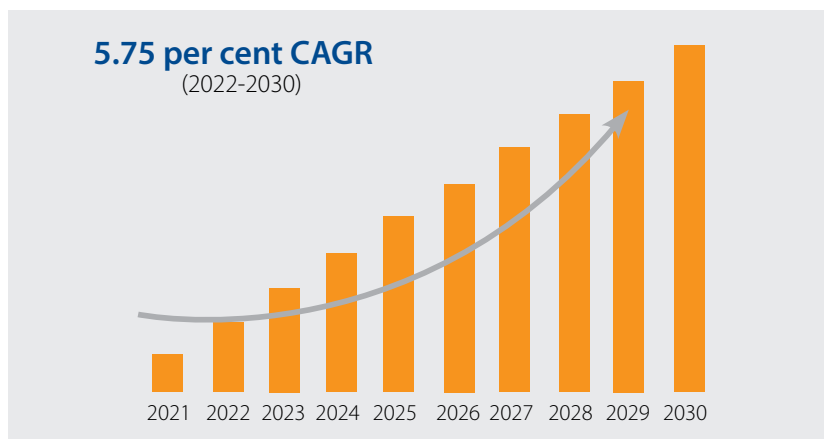
Irrigation: The irrigation sector accounts for the majority of the end user segment for plastic pipes, accounting for 45-50 per cent of pipes demand in India. Strong government focus on the development of irrigation-related infrastructure can catalyze the demand for plastic pipes. These could help farmers enhance their incomes, reduce their dependence on monsoons and eliminate water wastage. Plastic pipes are principally applicable in irrigation and water sewage system projects of key public sector companies. According to the Union government, against the total agricultural land of 1,80,888 thousand hectares, the cultivated land in the country is 1,53,888 thousand hectares. Out of the total available agricultural land 71,554 thousand hectares or only 40 per cent is irrigated. The government

has taken various schemes such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Accelerated Irrigation Benefits Programme (AIBP), Command Area Development and Water Management (CADWM) Programme to improve the

irrigation infrastructure in the country. The government has extended PMKSY till 2025-26 with an overall outlay of ₹93,068.56 Cr. Various measures like the increase in agricultural credit and setting up of a micro irrigation fund is expected to catalyze irrigation sector growth.

Micro Irrigation System Market

By Type, By Crop Type, By End-Use and By Region



(Source: digital journal.com)

Real estate: Real estate is a key end user of plastic pipes in India. Despite rising construction costs and a record hike in the repo rate (225 bps) in 2022, the real estate sector witnessed a considerable upswing. After two long years of pandemic-induced lockdowns and subsequent economic turmoil, the industry experienced a comprehensive recovery this year throughout Tier I, II, and III cities. Indian's real estate witnessed a boom in 2022 with a boost in commercial and residential space construction and absorption. With the soaring demand, commercial real estate market in the country witnessed triple-digit growth in the office and retail segments while the residential segment witnessed a remarkable growth of 40 per cent compared to last year. Moreover, policy initiatives like Smart Cities Mission and AMRUT (Atal Mission for Rejuvenation and Urban Transformation) is expected to enhance the demand. PMAY (Urban) scheme has now been extended till December 31, 2024, because only 61.77 Lakh houses have been completed as against the total of 12.26 Million houses sanctioned under the scheme. The Government's vision to offer piped water access across urban and rural households is expected to enhance growth opportunities. (Source: housing.com, Mint)

Urban infrastructure: According to World Bank estimates, India is expected to invest \$840 Billion over the next 15 years or an average of \$55 Billion per annum into urban infrastructure to meet the needs of the fastest growing urban population. By 2036, 600 Million people could be living in urban cities in India, accounting for 40 per cent of the population. This is expected to put additional pressure on the already stretched urban infrastructure - with more demand of clean drinking water, reliable power supply, efficient and safe road transport amongst others. The Government announced a ₹48,000-Cr allocation under the Pradhan Mantri Awas Yojana, emphasising the need of affordable housing. By 2023, around 8 Million dwellings are scheduled to be finished across the country (Sources: World Bank, Economic Times)

Telecom: India's telecom industry is the second largest in the world with a subscriber base of 1.17 Billion as of August 2022. India has an overall tele-density of 85.15 per cent, of which the tele-density of the rural market stands at 58.44 per cent while the tele-density of the urban market is 134.71 per cent. Over the last few years, the industry's exponential growth is mainly driven by affordable tariffs, wider availability, roll-

out of Mobile Number Portability (MNP), expanding 3G and 4G coverage, evolving consumption patterns of subscribers, government's initiatives towards supporting India's domestic telecom manufacturing capacity and a favourable regulatory environment. (Source: Invest India)

Gas: India's net production of natural gas fell in the last decade to 33,131 Million standard cubic metre (mmscm) in FY22 compared to 39,753 mmscm in FY13. The gross domestic production of natural gas in FY22 was 34,024 mmscm compared to 28,672 mmscm in FY21. India's consumption of natural gas hit 63,907 in FY22 compared to 57,367 mmscm in FY13 due to a growing demand from the fertiliser, city gas distribution (CGD) and other sectors. Of the total gas consumption in India in FY22, 30 per cent was consumed by the fertiliser sector followed by the CGD sector (20 per cent) and power sector (15 per cent), among others. Domestic natural gas demand is expected to grow at around 8-10 per cent CAGR between 2022 and 2027. The demand is also expected to be driven through sectors such as residential, transport and energy. (Source: Financial Express)

Government initiatives for the irrigation sector

Har Ghar Nal Se Jal: To achieve the mammoth task of providing tap water supply to every rural household in a span of five years, ₹3.60 Lakh Crore has been allocated. ₹60,000 Crore has been allocated to 'Har Ghar Jal' in Union Budget 2022-23 to provide tap water to 3.8 Crore households. (Source: PIB)

Jal Shakti Abhiyan: Jal Shakti Abhiyan

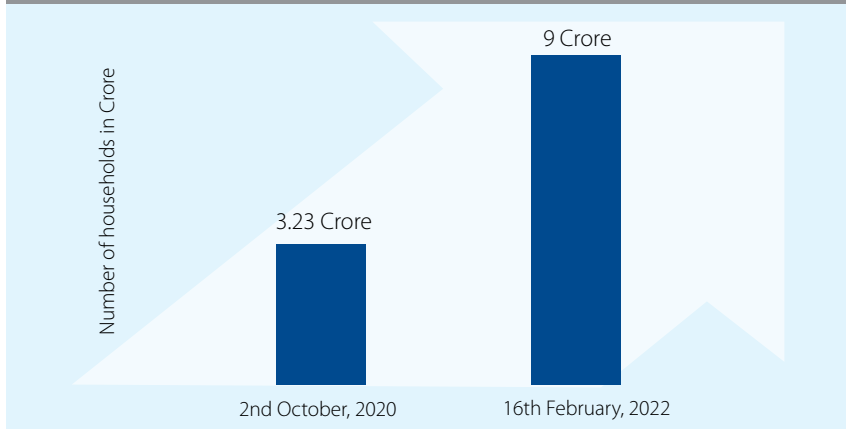
was launched in 2019 to improve the availability of water and to make the Jal Andolan a mass movement. Catch the Rain campaign 2022 was launched as an extension of the Jal Shakti Abhiyaan with the aim to make the biggest rain water conservation campaign ever. (Source: India water portal.org)

Jal Jeevan Mission: Under the Union Budget FY 2023-24, the Government of India allocated ₹69,684 Cr for the implementation of Jal Jeevan Mission.

The scheme had benefitted 19 Cr rural households as on January 2023. More than 10 Cr household tap connections were offered under this scheme till January 2023.

Pradhan Mantri Krishi Sinchai Yojana (PMKSY): The government plans to increase rural prosperity through this scheme by increasing water availability to all agricultural farms, resulting in increased production and productivity.

Out of total 19.27 Cr households, over 9 Cr have started getting tap water in their homes



Real estate growth drivers

Increasing population: India's population is expected to surpass China by 2023 and reach 1.51 Billion by 2030. Population growth is expected to catalyze the demand of Indian real estate segment.

Growing urbanisation: India's urban population is expected to stand at 675 Million (accounting for 43.2 per cent of the country's population) by 2035. This is expected to lead to a rise in housing demand accordingly. (Source: the hindu.com)

Traction in tier II and III cities: Tier II and Tier III cities are the focal point of India's real estate boom. Growing demand for plastic pipes in tier II and tier III cities was witnessed due to increased real estate investments in these cities.

Increased demand from the rural sector: The demand from the rural sector increased, driven by growing disposable income of the farmers due to government initiatives like higher MSPs

and the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). Marketing efforts along with the launch of GST will help the branded players to enhance rural penetration.

Tax incentives by the government:

The interest-subvention scheme, interest deduction from taxable income, tax exemption for principal repayment and capital gains exemption are also expected to be key growth drivers for the sector. (Source: CRISIL Research)

Government initiatives for urban infrastructure sector

Smart City Mission: India has set big goals for urban development, expanding 4,000 new smart cities with a population of 5 Lakh each by running the mission into a movement till the end of its deadline.

Housing for all by 2022: Launched in June, 2015, Housing For All Scheme aimed at providing pucca houses to all eligible urban beneficiaries as on March 2022. However, the government

extended the scheme till December, 2024. Out of the total sanctioned 123 Lakh houses, 62 Lakh houses were completed and proposals of 40 Lakh houses were received late from the States, which require another two years to complete them.

Road construction: The pace of highway construction was 28.64 Kms a day in FY 2021-22, amid the pandemic-related disruptions and a longer-than-usual monsoon in some areas of the country. The Ministry constructed 3,559 Kms of National Highways up to September in FY 2022-23 as compared to 3,824 Kms constructed up to September in FY 2021-22. The road transport and highways ministry aims to construct a record 18,000 Km of highways in FY 2022-23 at a pace of 50 km per day. The FY 2022-23 target is 33 per cent higher than the last financial year. (Source: Business Standard)

Company overview

Kriti Industries manufactures plastic polymer piping systems, moulded plastic products, and accessories. The Company has emerged among the most respected and renowned players in the industry. It operates in the polymer segment across agriculture, building products, micro irrigation and infrastructure.

The applications of the company's products include the following sectors:

Agriculture: RPVC pipe and fittings, casing pipe, PE coils, sprinkler systems, submersible pipe, suction and garden pipe.

Building products: SWR and drainage pipe and fittings, CPVC and plumb pipe and fittings, garden pipe and water tank.

Micro-irrigation: Micro-irrigation lateral (inline and online), sprinkler systems, RPVC pipes and fittings.

Infrastructure and datacom: RPVC ring fit pipe (elastomeric) and fittings, HDPE and MDPE (PE) pipes and fittings, PLB telecom duct and micro-ducts.

Revenues: Revenue during the year stood at ₹736.00 Cr as against ₹546.08 Cr in FY 2021-22.

2022-23.

Profit after tax: The Company reported a loss after tax of ₹23.41 Cr as against profit of ₹14.03 Cr. in the previous year

Interest and finance costs: Net interest and finance costs stood at ₹17.35 Cr in FY

Financial performance

Key ratios

Particulars	FY 2022-23	FY 2021-22
Turnover	732.47	544.74
Debt-equity ratio	0.97	0.68
Return on equity (per cent)	(17.00)	10.00
Book value per share (₹)	26.08	31.00
Earnings per share (₹)	(4.72)	2.83

Risk management

Economic risk: The Company's performance might be adversely affected due to an economic slowdown.

Mitigation: India's GDP posted a growth of 7.2 per cent in FY 2022-23. The economic growth along with government targets of doubling farmer's income is expected to improve irrigational activity, resulting in a growing demand for pipes.

Product risk: The Company's failure to produce various kinds of products could impact off-take.

Mitigation: The Company is engaged in the manufacturing of polymer pipes, mainly Poly Vinyl Chloride (PVC) and Poly Ethylene (PE), suitable for portable water supply, irrigation, building construction and infrastructure. The comprehensive product portfolio enables the Company to enhance visibility by serving various market segments.

Competition risk: Entry of increasing number of rival firms could affect the Company's profitability and market share

Mitigation: Over the years, the Company has emerged among the most respected companies across the country by providing quality products and services to customers. The Company retained more than 400 of its customers for more than 5 years

Information technology

The Company has successfully implemented SAP HANA, which enabled the business in increasing business analytics and efficiency, leading to growing operational efficiencies. The Company is carrying on investing in Information Technology (IT) viz. SAP Enterprising Resource Planning System, CRM, HRM and Sales Force Mobility with the aim of reinforcing its infrastructural base and operational efficiencies. Continuous advancements in technology will help in attaining growth of the Company for the foreseeable future.

Internal control systems and their adequacy

The Company's robust and intricate internal control systems ensure there is efficient use and protection of resources and compliance with policies, procedures and statutory requirements. We have developed well-documented guidelines, procedures for authorisation and approvals which include processes such as audits. Integral to the overall governance, we have a well-established internal audit frame work which extensively covers all aspects of financial and operational controls, covering all

units, functions and departments. The Company also has an efficient financial reporting system in place. Our internal audit team consists of senior members across various functional departments some of whom are also key managerial personnel of the company. They actively engage in the evaluation and improvement of various functions and activities of the Company including restaurant operations and other support functions and departments. The Company also has an Internal Audit cell which supports the Audit Committee besides the independent review of internal controls, operating systems and procedures by external auditors

Human resources

The Company employed 605 officers and workers as on 31st March, 2023. The development of individual and collective competencies has helped the company in increasing the value of human capital and in turn, stay in step with market developments and requirements. The company implemented programs and projects related to skill development and up gradation of employee competence. Knowledge sharing programmes were conducted. A number of innovative

ideas received from employees were implemented, resulting in enhanced quality, cost optimisation and productivity.

Cautionary statement

The statements in the 'management discussion and analysis' section describing the Company's objectives, projections, estimates and prediction may be considered as forward-looking statements. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market positioning, expenditures and financial results are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievement may thus differ materially from those projected in such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement on the basis of any subsequent developments, information or events.

DIRECTORS' REPORT

Dear Members,

Your directors present their 33rd Annual Report on the affairs of the Company together with the Consolidated and Standalone Audited Financial Statements for the Financial Year ended 31st March, 2023.

FINANCIAL HIGHLIGHTS

The summarized financial highlights for the year vis-a-vis the previous year are as follows:

(Rs. in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	73,247.40	54,473.96	73,247.40	54,473.96
Other Income	353.07	134.88	353.07	134.88
Total Revenue	73,600.47	54,608.84	73,600.47	54,608.84
Operating Expenses	74,022.04	50,583.27	74,022.04	50,583.27
EBITDA	(421.57)	4,025.57	(421.57)	4,025.57
Finance Cost	1,735.50	1435.14	1,673.90	1,410.29
Depreciation	913.35	806.82	913.35	806.82
Profit/ (Loss) before Exceptional Items and Tax	(3,070.42)	1,783.61	(3,008.82)	1,808.46
Exceptional Items (Reversal of Impairment Loss)	-	(116.55)	-	(116.55)
Tax Expenses	(729.58)	496.78	(729.58)	496.78
Profit/ (Loss) after Tax	(2,340.84)	1,403.38	(2,279.24)	1,428.23
Profit/(Loss) from discontinued operations	-	-	(7.55)	551.33
Tax expenses on discontinued operations	-	-	13.60	(13.67)
Profit/(Loss) after discontinued operations	(2,340.84)	1,403.38	(2,300.39)	1,993.23
Share in Net Profit/(Loss) of Associate Company	-	-	(0.25)	-
Net Profit/ (Loss) for the period	(2,340.84)	1,403.38	(2,300.64)	1,993.23

OPERATIONAL PERFORMANCE

During the Financial Year ended 31st March, 2023, your Company has achieved on standalone basis an operational turnover of Rs. 73,247.39 Lakhs as compared to Rs. 54,473.96 Lakhs in the previous Financial Year and the Loss after Tax is Rs. 2,340.84 Lakhs as compared to Profit after Tax of Rs. 1,403.38 Lakhs in the previous Financial Year.

On a Consolidated basis, your Company has achieved an operational turnover of Rs. 73,247.40 Lakhs as compared to Rs. 54,473.96 Lakhs in the previous Financial Year and Loss After Tax of Rs. 2,279.24 Lakhs as compared to Profit after Tax of Rs. 1,428.23 Lakhs in the previous Financial Year.

A fire broke out at the Pithampur (M.P.) Plant, on 28th April, 2022. Due to robust safety measures adopted by the Company, the situation was brought under control without any casualties, but stock and other assets valued at Rs 19.25 crores were damaged. These items were adequately insured and the Company has filed the necessary insurance claim which is under process. Accordingly, the company has not estimated any loss on this account. The company's manufacturing operations were impacted due to the fire incident during peak business season and therefore inventory was carried forward which could not be liquidated as per the original plan. Further sharp fall in polymer prices in the global market and extended rains had impacted stock valuations and affected company's profitability during the first half.

DIVIDEND

Due to losses in the current year and to conserve the accumulated resources for the business purposes your directors didn't recommend dividend for the year. (Previous year @ 20% {Rs.0.20 per equity shares of Re. 1/-each on 4,96,03,520 Equity Shares aggregating to Rs.99.21 Lakhs}).

CHANGE IN CONTROL AND NATURE OF BUSINESS

There is no change in control and nature of business activities during the period under review.

BUSINESS TRANSFER

There is no transfer of business during the period under review.

TRANSFER TO RESERVES

During the year, the Company hasn't transferred any amount to the general reserves or any other reserves (Previous Year Rs.100.00 Lakhs).

SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March 2023 was Rs. 496.04 Lakhs divided into 4,96,03,520 equity shares of Re. 1/- each. There is no change in Equity Share Capital of the Company during the year, the shares of the Company are listed and regularly traded

at the trading platform of BSE Ltd. and National Stock Exchange of India Limited.

DEPOSITS

Your Company has not accepted any deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unpaid or unclaimed deposits as on 31st March, 2023. Further, the Company has not accepted any deposit or loans in contravention of the provisions of Chapter V of the Companies Act, 2013 and the Rules made there under.

S. No.	Particulars	Amt in Rs.
1.	Details of Deposits accepted during the year	Nil
2.	Deposits remaining unpaid or unclaimed at the end of the year	Nil
3.	Default in repayment of deposits At the beginning of the year Maximum during the year At the end of the year	
4.	Deposits not in compliance with law	N.A.
5.	NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

There are no deposit which are not in compliance with the requirements of Chapter V of the Companies Act, 2013 and there rules made thereunder.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors liable to retire by rotation seeking re-appointment:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shiv Singh Mehta (DIN 00023523), Chairman and Managing Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Managing and Whole-time Directors:

Mr. Shiv Singh Mehta (DIN 00023523), was re-appointed as the Chairman and Managing Director of the Company by passing Special Resolution at the 31st AGM held on 07.08.2021 for a term of 5 (five) years w.e.f. 01.10.2021 and will also attain age of 70 years during the proposed tenure.

Mrs. Purnima Mehta (DIN 00023632), was also re-appointed as the Whole-time Director of the Company by passing Special Resolution at the 31st AGM held on 07.08.2021 for a period of 3(three) years w.e.f. 01.07.2022.

Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. The Board considered and formed an opinion that all the independent directors meet the criteria of independence as required under the provisions of the Companies Act, 2013 and the SEBI (LODR)

Regulations, 2015. All the Independent Directors have also registered themselves with Independent Directors' Databank.

Your Board would like to inform that, the second term of Mr. Rakesh Kalra and Mr. Manoj Fadnis the Independent Directors would expire on 31.03.2024, and the Board needs to appoint Independent Director in place of them.

During the year under review, the company has not appointed any Independent Director, therefore, the statement regarding opinion of the Board with regard to integrity, expertise and experience of the Independent Director appointed during the year is not applicable.

Other Key Managerial Personnel

During the year under review, the following changes took place in the other KMP's (Other than the Directors):

- Cessation of Office of Ms. Apeksha Baisakhiya as the Company Secretary and Compliance Officer of the company w.e.f. 4th April, 2022 and appointment of Mr. Pankaj Baheti as the Company Secretary and Compliance Officer of the company w.e.f. 4th April, 2022.
- Cessation of Office of Mrs. Vinita Puntambekar as the CFO of the company w.e.f. 3rd February, 2023 and appointment of Mr. Rajesh Sisodia as CFO w.e.f. 3rd February, 2023.
- Cessation of Office of Mr. Pankaj Baheti as the Company Secretary and Compliance Officer of the company w.e.f. 22nd March, 2023 and appointment of Mr. Tanuj Sethi as the Company Secretary and Compliance Officer of the company w.e.f. 22nd March, 2023.

The following are the Key Managerial Personnel (KMP's) of the Company as on the date of the report:

- i) Mr. Shiv Singh Mehta (DIN 00023523), Chairman and Managing Director;
- ii) Mrs. Purnima Mehta (DIN 00023632), Whole-time Director;
- iii) Mr. Rajesh Sisodia, Chief Financial Officer;
- iv) Mr. Tanuj Sethi, Company Secretary and Compliance Officer.

BOARD EVALUATION

The Board of Directors of the Company is committed to get its performance evaluated in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee (NRC) has established the process for evaluation of performance of Directors including Independent Directors, the Board and its Committees. The evaluation of performance of Executive Directors is done by Independent Directors.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria and process for performance evaluation of the Non-Executive Directors and Executive Directors to judge the knowledge to perform the role, time and level of participation, performance of duties, professional conduct, independence etc. The appointment/re-appointment/continuation of Directors on the Board shall be based on the outcome of the evaluation process.

During the year under review as per the policy for the performance evaluation, formal evaluation of performance of Directors including Independent Directors, the Board and its Committees was made by the Independent Directors and the NRC in their respective meetings and the evaluation result was placed before the Board for its information and further consideration.

MEETINGS

During the financial year **six (6)** Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

NOMINATION & REMUNERATION POLICY

The Company has a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and for determination of their remuneration. The salient features of Nomination and Remuneration Policy are stated in the Corporate Governance Report. The Nomination and Remuneration Policy duly approved by the Board has been posted on the Company's website <http://kritiindustries.com/>

COMMITTEES OF THE BOARD

In accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has the following four (4) committees:

- i). Audit Committee
- ii). Nomination and Remuneration Committee
- iii). Stakeholders' Relationship Committee
- iv). Corporate Social Responsibility Committee

The Company has also constituted Investment and Finance Committee and Internal Complain Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. A detailed note on the Committees is provided in the Corporate Governance Report.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

As on the closure of the financial year, following are Associate and Subsidiary of your companies:-

Name of the Company	Status	% age of Holding
Kriti Auto & Engineering Plastics Private Limited	Wholly Owned Subsidiary	100.00%
FP Elite Energy Private Limited	Associate Company	34.78%

Further, your company is a subsidiary of Sakam Trading Private Limited which holds about 52.10% of the total paid-up capital of the company.

Report on performance of the Associate and Wholly Owned Subsidiary Company

Pursuant to the provisions of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014,

your company is attaching **Form AOC-1** as "**Annexure A**" and forms part of this report.

RELATED PARTY TRANSACTIONS

During the period under review, all related party transactions entered were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons or their relative which may have a potential conflict with the interest of the Company at large. Since, there is no material related party transactions in the company. Therefore, the company is not required to annex Form AOC-2 with this report.

Separate disclosure as per Regulation 34(3) of SEBI (LODR) Regulations, 2015 is made in the notes to the accounts attached with the financial statement, therefore not reproduced here under. The policy on Related Party Transactions duly approved by the Board has been posted on the Company's website <http://kritiindustries.com/>.

Your Company has passed an Ordinary Resolution at 32nd Annual General Meeting held on 17th August, 2022 under Regulation 23 of the SEBI (LODR) Regulations, 2015 read with section 188 of the Companies Act, 2013 for entering into transactions for transfer of resources etc. with the related Parties.

Pursuant to SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22/11/2021, Your board is proposing to pass an Ordinary Resolution in the ensuing General Meeting for material related party transaction related to transfer of resources with the Related Party.

CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities is attached as "**Annexure B**" and forms a part of this Report. The salient features of CSR policy are stated in the aforesaid Report on CSR activities. The policy on CSR duly approved by the Board has been posted on the Company's website <http://kritiindustries.com/>.

DISCLOSURE FOR PARTICULARS OF EMPLOYEES

The information required pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended in respect of employees of the Company forming part of Directors' Report is given in "**Annexure C**" to this Report. A statement of top-10 employees in terms of remuneration drawn as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended may be obtained by request to the Company Secretary of the Company at cs1@kritiindia.com.

Details of employees who received remuneration in excess of Rs. One Crore and Two Lakh or more per annum:

During the year, none of the employees received remuneration in excess of that drawn by the Managing Director or Whole-time Director and none of the employees hold two percent of the equity shares of the Company.

Further, Shri Shiv Singh Mehta, Chairman and Managing Director is drawing remuneration from the company and from the other

Company cumulatively not exceeding the higher maximum limit admissible from any one of the companies.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as "Annexure D" and forms part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investment are given in the notes to the Financial Statements. Hence no further disclosure is being given here to avoid repetition.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 along with the requisite certificate from the Practicing Company Secretary of the Company confirming compliance with the conditions of the corporate governance is appended and forms a part of this report along with the certificate of Disqualification of Directors received from Practicing Company Secretary as the **Annexure 1 and 2** of the Corporate Governance Report.

RISK MANAGEMENT

The Company has a well-defined process to ensure the risks are identified and mitigation steps are put in place. The Company's Risk Management process focus on ensuring that these risks are identified on a timely basis and reasonably addressed. The Audit Committee oversees financial risks and controls. Major risks are identified by the businesses and functions and these are systematically addressed through mitigating actions on continuing basis

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for -

- A. Adequate safeguards against victimization of persons who use the Vigil Mechanism; and
- B. Direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

Details of the Vigil Mechanism Policy are made available on the Company's website <http://kritiindustries.com/> and have also been provided as "Annexure E" of part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:-

- a) that in the preparation of the annual financial statements for the year ended 31st March 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that the Directors have selected such accounting policies and applied them consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2023 and of the loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL CONTROL AND THEIR ADEQUACY

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been established in the Company and that such controls are adequate and operating effectively. The Company has laid down certain guidelines and processes which enables implementation of appropriate internal financial controls across the organization. Such internal financial controls encompass policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Statutory Auditors in their audit report have opined that these controls are operating effectively. The Audit team develops an audit plan based on the risk profile of the business activities. The annual internal audit plan is approved by the Audit Committee, which also reviews compliance to the plan. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. Significant audit observations and corrective action(s) thereon are presented to the Audit Committee.

The Audit Committee reviews the reports submitted by the Internal Auditors.

The Board has implemented systems to ensure compliance of all applicable laws. These systems were effective and operative. At every quarterly interval, the Managing Director and the

Company Secretary place before the Board a certificate certifying compliance of laws and regulations as applicable to the business and operations of the Company after obtaining confirmation from all business unit and functional heads responsible for compliance of such applicable laws and regulations.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS U/S 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

During the Financial Year, no frauds were reported by auditors in terms of section 143(12) of the Companies Act, 2013.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website on <https://kritiindustries.com/investor-desk/annual-returns/>

AUDITORS & THEIR REPORT

The shareholders at their 30th Annual General Meeting (AGM) held on 8th August, 2020 upon the recommendation of Audit Committee and Board of Directors of the company had approved the re-appointment of M/s. Rakesh Kumar & Associates, Chartered Accountants (FRN: 002150C), Indore as Statutory Auditors to hold office for a second term of 5 (Five) consecutive years from the conclusion of 30th AGM till the conclusion of 35th Annual General Meeting to be held in the year 2025 at such remuneration as may be approved by the Audit Committee and Board of Directors of the company as per the provisions of section 139 of the Companies Act, 2013, As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors Report and the Notes on financial statement for the year 2022-23 referred to in the Auditor's Report are self-explanatory and does not contain any qualification, reservation or adverse remark, therefore, do not call for any further comments.

COST AUDITOR

Your company is maintaining the cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013. In pursuance of Section 148 of the Companies Act, 2013, your Directors appointed Mr. S.P.S.Dangi, Cost Accountant, (FRN 100004), Indore to conduct the Audit of the Cost Accounting records for the financial year 2022-23. The Company has filed the Cost Audit Report for the year 2021-22 to the Central Government.

The Board on the recommendation of the Audit Committee, at its meeting held on 25th May, 2023 has appointed Mr. S.P.S.Dangias the Cost Auditors to conduct the Audit of the Cost Accounting records for the financial year 2023-24. As required under section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. Therefore, the Board of Directors recommend the remuneration payable to Mr. S.P.S. Dangi, Cost Auditors for the financial year 2023-24 for the ratification by the Members in the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. Ajit Jain & Co., Company Secretaries, Indore to conduct Secretarial Audit for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended 31st March 2023 in Form MR-3 is attached as "Annexure F" and forms part of this Report. Report of the Secretarial Auditor does not contain any qualification, reservation or adverse remark, therefore, do not call for any comments.

Further, the Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 25th May, 2023 has appointed M/s. Ajit Jain & Co., Company Secretaries to conduct Secretarial Audit for the financial year 2023-24.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The details related to dividend remains unpaid-unclaimed in the Company has been given in the annual report of the Company. The details of the nodal officer appointed by the company under the provisions of IEPF is available on the Company's website at <http://kritiindustries.com/>

After the close of financial year 2022-23 an amount of Rs. 3,40,890/- in respect of unpaid/unclaimed interim dividend declared for the FY 2015-2016 was transferred to the Investor Education and Protection Fund Authority as well as 86,360 equity shares of face value of Rs. 1/- each, in respect of unpaid/unclaimed interim dividend declared in FY 2015-2016, was also transferred and credited to the IEPF Authority by the Company.

The investors may claim their unpaid dividend and the shares from the IEPF Authority by applying in the Form IEPF-5 and complying with the requirements as prescribed.

SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There were no complaints received during the year.

CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their

immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code, inter alia, lays down the procedures to be followed by designated persons while trading/dealing in Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code covers Company's obligation to maintain a digital database, mechanism for prevention of insider trading and handling of UPSI, and the process to familiarize with the sensitivity of UPSI. Further, it also includes code for practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Company's website at <https://kritiindustries.com>

PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE E-VOTING AND E-VOTING AT THE AGM:

Your Company is providing E-voting facility as required under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The ensuing AGM will be conducted through Video Conferencing/OVAM and no physical meeting will be held and your company has make necessary arrangements with CDSL to provide facility for remote e-voting. The details regarding e-voting facility is being given with the notice of the Meeting.

GENERAL

Your Directors state that during the year under review:

- a) The Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme.
- b) Neither the Managing Director nor the Whole-time Director receive any remuneration or commission from its subsidiary.
- c) The Company has complied with the applicable Secretarial Standards under the Companies Act, 2013.
- d) There have been no material changes and commitments affecting the financial position of the Company which have occurred between financial year ended on 31st March, 2023, to which the financial statements relate and the date of this report.

- e) Details of unclaimed dividends and equity shares transferred to the Investor Education and Protection Fund authority have been provided as part of the Corporate Governance report.
- f) Your Company has not declared and approved any Corporate Action viz buy back of securities, mergers and demergers, split and issue of any securities and has not failed to implement or complete the Corporate Action within prescribed timelines. However, the company has declared and paid dividend during the period under review in compliance with the applicable laws of the Companies Act, 2013;
- g) There were no revisions in the Financial Statement and Board's Report.
- h) The company has not filed any application or there is no application or proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.
- i) There is no requirement to conduct the valuation by the Bank and Valuation done at the time of one-time Settlement during the period under review.
- j) There are no voting rights exercise by any employee of the Company pursuant to the section 67(3) read with the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014.

ACKNOWLEDGEMENT

Your Directors place on record, their sincere appreciation and gratitude for all the co-operation extended by Government Agencies, Bankers, Financial Institutions, Business Associates and Investors and all other stakeholders. The Directors also record their appreciation for the dedicated services rendered by all the Executive Staff and Workers of the Company at all levels in all units and for their valuable contribution in the working and growth of the Company

For and on behalf of the Board

Shiv Singh Mehta

Date: 22 July, 2023
Place: Indore

Chairman and Managing Director
(DIN: 00023523)

ANNEXURE A

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES AS ON 31.03.2023

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts Rs. In Lacs)

S.No	Name of Subsidiary	Kriti Auto Engineering & Plastics Private Limited
1.	The date since when subsidiary was acquired	01/03/2007
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
4.	Paid up Share Capital	388.50
5.	Reserves & Surplus	462.55
6.	Total Assets	909.63
7.	Total Liabilities	909.63
8.	Investments	-
9.	Turnover including other income	0.00
10.	Profit/(Loss) before taxation	(0.00)
11.	Profit/(Loss) before taxation from Discontinued Operations	54.03
12.	Provision for taxation	17.21
13.	Profit/(loss) after taxation	36.82
14.	Proposed Dividend	-
15.	% of shareholding	100.00%
16.	Names of subsidiaries which are yet to commence operations	N.A.
17.	Names of subsidiaries which have been liquidated or sold during the year	N.A.

Part "B": Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S.No	Name of Associates	FP Elite Energy Private Limited
1.	Latest Balance Sheet Date	31/03/2023
2.	Date on which the Associate was associated or acquired	07/10/2022
3.	Shares of Associate held by the company on the year end	
	Number of Shares	7,88,141 Equity Shares of Rs. 10 each.
	Amount of Investment in Associates (Rs. In Lacs)	78.81
	Extend of Holding (in percentage)	34.78
4.	Description of how there is significant influence	34.78% shareholding/ voting rights
5.	Reason why the associate is not consolidated	N.A.
6.	Net worth attributable to Shareholding as per latest Balance Sheet	50.02
7.	Profit / (Loss) for the year	
	i. Considered in Consolidation	(0.25)
	ii. Not Considered in Consolidation	-
1.	Names of associates or joint ventures which are yet to commence operations.	N.A.
2.	Names of associates or joint ventures which have been liquidated or sold during the year.	N.A.

The Company does not have any Joint Ventures as on 31st March, 2023.

As per our report of even date

M/s Rakesh Kumar and Associates

Chartered Accountants

FRN:002150C

Puneet Gupta

Partner

M.No:413168

Place: Indore

Date: 25/05/2023

Shiv Singh Mehta

Chairman & Managing Director

DIN: 00023523

Purnima Mehta

Whole time Director

DIN: 00023632

Rajesh Sisodia

Chief Financial Officer

Tanuj Sethi

Company Secretary

M. No. A69680

ANNEXURE - B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility Policy ("Policy") of the Company is in line with the provisions of Section 135 of the Companies Act 2013 ("Act") read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules").

The Policy lays down the guiding principles that shall be applicable to the CSR projects/ programme/activities of the Company.

The Board of Directors approved this Policy, on the basis of the recommendations of the CSR Committee.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shiv Singh Mehta Chairman and Managing Director	Chairperson	1	1
2	Purnima Mehta Whole-time Director	Member	1	1
3.	Rakesh Kalra Independent Director	Member	1	1

3. Web-link: – www.kritiindustries.com

4. Provide the executive summary alongwith weblink of impact assessment of CSR projects carried out in pursuance of sub rule (3) of Rule 8 if applicable -Not Applicable

- | | | |
|--------|--|------------------|
| 5. (a) | Average net profit of the company as per sub-section (5) of section 135 | Rs. 3153.53Lakhs |
| (b) | 2% of average net profit of the company as per section 135(5) | Rs. 63.07 Lakhs |
| (c) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | NIL |
| (d) | Amount required to be set off for the financial year, if any | NIL |
| (e) | Total CSR obligation for the financial year [(b)+(c)-(d)] | Rs. 63.07.Lakhs |
| 6. (a) | Amount spent on CSR Projects (Both Ongoing Projects and Other than Ongoing Project) | :Rs. 5.30 Lakhs |
| (b) | Amount spent in Administrative Overheads. | : Nil |
| (c) | Amount spent on Impact Assessment, if applicable. | : NA |
| (d) | Total amount spent for the Financial Year (a+b+c) | :Rs. 5.30 Lakhs |
| (e) | CSR amount spent or unspent for the financial year: | |

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Name of the Fund	Amount	Date of transfer
	Amount	Date of transfer			
5.30	57.77	29.04.2023	-	-	-

- (f) Excess amount for set off, if any: Nil

S.No	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	63.07
(ii)	Total amount spent for the Financial Year	5.30
	Excess amount carry forward from the previous Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

7. Details of Unspent CSR amount for the preceding three financial years: (Rs. in Lakhs)

S No.	Preceding Financial Year	Amount transferred to Unspent CSR account u/s 135(6)	Balance amount in Unspent CSR Account u/s 135(6)	Amount Spent in the Financial Year	Amount transferred to any fund specified under schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years	Deficiencies if any
					Amount (in Rs.)	Date of Transfer		
1.	2019-20	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.	2020-21	7.53	0.00	0.00*	0.00	0.00	0.00	NIL
3.	2021-22	39.23	22.93	16.30	0.00	0.00	22.93	NIL
	Total	46.76	22.93	16.3	0.00	0.00	22.93	NIL

* Amount expended and reported in the Financial Year 2021-22, hence not shown in the current year.

8. Whether any Capital Assets have been created or acquired through CSR amount spent in the Financial Year: No

If Yes, enter the number of capital assets created/acquired : N.A.

Furnish the details relating to such assets(s) so created or acquired through CSR amount spent in the Financial Year:

Sl. No	Short Particulars of the Property or assets(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/Authority/ Beneficiary of the Registered Owner		
					CSR Registration Number, if applicable`	Name	Registered Address
Not Applicable							

9. Specify the Reason(s), if the company has failed to spend 2% of the average net profit as per section 135(5):.The Company endeavored to ensure full utilization of the allocated CSR budget towards on going projects. The CSR activities are scalable with a few new initiatives that may be considered in future and moving forward the Company will endeavour to spend the amount on CSR activities in accordance with the statutory requirements.

Sd/-

Shiv Singh Mehta

Chairman of the Committee and
Chairman and Managing Director

Date: 22/07/2023
Place: Indore

ANNEXURE – C

INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2023.

(A) Particulars of Employees as per [Rule-5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2022-23.

S. No.	Name of Director	Ratio of remuneration of each Director/ to median remuneration of employees (in times)
1	Mr. Shiv Singh Mehta	28.15
2	Mrs. Purnima Mehta	22.98

- (ii) The percentage increase in remuneration of each Executive Director, Chief Financial Officer and Company Secretary in the financial year 2022-23:

S. No.	Name of Director /KMPs	Designation	% increase in remuneration
1	Mr. Shiv Singh Mehta	Chairman and Managing Director	0.00
2	Mrs. Purnima Mehta	Whole Time Director	(41.23)
3	Mrs. Vinita Puntambekar	Chief Financial Officer ¹	16.61
4	Mr. Rajesh Sisodia	Chief Financial Officer ²	N.A.
5	Ms. Apeksha Baisakhiya	Company Secretary ³	N.A.
6	Mr. Pankaj Baheti	Company Secretary ⁴	N.A.
7.	Mr. Tanuj Sethi	Company Secretary ⁵	N.A.

¹Mrs. Vinita Puntambekar appointed w.e.f. 01.02.2022 and ceased w.e.f. 03.02.2023.

²Mr. Rajesh Sisodia appointed w.e.f. 03.02.2023

³Ms. Apeksha Baisakhiya ceased w.e.f. 04.04.2022

⁴Mr. Pankaj Baheti appointed w.e.f. 04.04.2022 and ceased w.e.f. 22.03.2023

⁵Mr. Tanuj Sethi appointed w.e.f. 22.03.2023

- (iii) The percentage increase in the median remuneration of employees in the financial year 2022-23 was 11%.
- (iv) There were 605 permanent employees on the rolls of the Company as on 31st March, 2023.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

% increase in Average salary of employees other than KMPs for Financial Year 2022-23 has given in point no. (A) (iii) above.

The increase in the salary of KMP's for Financial Year 2022-23 has given in point no. (A) (ii) above. The increase in remuneration is not solely based on Company's performance but also includes various other factors like individual performance, experience, relevant expertise, skills, academic background, industry trends, economic situation and future growth prospects etc. besides Company's performance.

There were no exceptional circumstances for the increase in managerial remuneration in comparison to remuneration of other employees.

- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE -D

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 AND RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. Conservation Of Energy

1) Steps taken or impact on conservation of energy:

1. Installation & commissioning of new energy efficient Moulding machines. Currently 9 Nos. New energy efficient CPVC Moulding machines installed & started.
2. Discarding old air cooled chillers & refurbishing existing water cooled chiller to reduce power consumption.
3. After commissioning & evaluating the performance of the Centralized Barrel vacuum system for Barrels of RPVC extruders, under implementation of energy efficient Centralize Vacuum system for HLVC, Mixer area & then to VST of RPVC. So further to extend the use of same (Power efficient Screw pumps) for Material conveying & replace the root blowers to reduce the power consumption & other maintenance cost.
4. Successfully completed the upgradation of HDPE & Moulding Utility. This system will regulate the load of water pumps as per water requirement & thereby optimize the power consumption.
5. Installation of LED High mast (Power efficient) lights in yard.
6. Installed solar lights on pathways & removed existing flood lights.
7. Cost saving in eliminating outlet water tank in Moulding & direct transfer of water to Cooling tower helped in saving power cost required to transfer water from water tank to cooling tower.
8. Retrofitted old moulding machine in servo system to reduce power consumption.
9. PVC conversion of HDPE moulding machines to reduce power consumption & productivity enhancement.
10. Added power efficient Mixer for better output, quality & less power consumption.
11. Connecting Utilities for back up of each Plant leading to improved output by avoiding rise in water temp / drop in air pressure.
12. Installed & commissioned of High output & energy efficient RPVC Extruder line.

2) Steps taken by the company for utilizing alternate sources of energy

1. Currently Open Access (Solar Power) of 4.5 MW being utilized.
2. Rooftop solar plant of 1.8 MW commissioned & started and performing satisfactory.
3. Installation of transparent roof sheets on new & old to reduce use of conventional energy and use more of sunlight.
4. Planning for Open access Hybrid power (Wind + Solar) of 4 MW. Term sheet signed, PPA, SSHA under discussion & approval.

3) Capital investment on energy conservation equipment:

Approx. Rs. 18Crores

B. Technology Absorption

1) Efforts made towards technology absorption

1. Replaced the Inkjet Printers by latest Technology Laser Printers for HDPE sprinkler Pipes & coils.
2. Installed online weighing system in RPVC extruders to have the weighing data collection of each & every pipes.
3. Installation of Encoder system planned on all RPVC Machines to have accurate pipe length cutting & display measurement of the same.
4. Also planned to have Central Data Console (Industry 4.0) for critical parameters of RPVC Plant with Auto SMS sent in case of deviations in parameters monitored.
5. Installed Automatic Assembly machine for column pipes in process to reduce manual work & improve quality
6. Installed centralized system for pulsing in silo. Creating feasibility of pulsing of each mixer to each silo.
7. Commissioned & started New CPVC Pipe Complete line from M/s. Theysohn.
8. Modified existing 3 old machines to show Melt pressure & temperature in PVC for better processing.
9. Planning to install online bundling machine for ASTM & CPVC Pipes.

10. Implementation / upgradation of NABL lab. With latest testing equipment.
11. Upgradation of Electrical system with installation of New 2750 KVA transformer has been done.
12. Upgraded Electrical system i.e. ME & CT of VCB of plant to fulfil AOP targets & expansion.
13. Replacement of Wheel printing by Inkjet printers in CPVC & ASTM pipes.
14. Online weighing & bar coding system of Column Pipes Bundles.

C. Foreign Exchange Earning & Outgo

(Rs. In Lakhs)

Sr. No.	Particulars	FY 2022-23	FY 2021-22
1.	Foreign Exchange earned in terms of Actual Inflows	-	
2.	Foreign Exchange spent in terms of Actual Outflows		
	• CIF Value of Import (Raw Material)	16,147.03	6,526.39
	• CIF Value of Import (Capital Goods)	5.19	169.74

ANNEXURE E

VIGIL MECHANISM / WHISTLE BLOWER POLICY

1. PREFACE

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

2. POLICY OBJECTIVES

- 2.1 The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- 2.2 This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

3. SCOPE OF THE POLICY

- 3.1 This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

4. DEFINITIONS

- 4.1 **"Alleged wrongful conduct"** shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".
- 4.2 **"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.
- 4.3 **"Board"** means the Board of Directors of the Company.
- 4.4 **"Company"** means the Kriti Industries (India) Limited, and all its offices.

- 4.5 **"Code"** means Code of Conduct for Directors and Senior Management Executives adopted by Kriti Industries (India) Limited
- 4.6 **"Employee"** means all the present employees and whole time Directors of the Company (Whether working in India or abroad).
- 4.7 **"Protected Disclosure"** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title "SCOPE OF THE POLICY" with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 4.8 **"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 4.9 **"Vigilance and Ethics Officer"** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 4.10 **"Whistle Blower"** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

- 6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
- 6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **"Protected disclosure under the Whistle Blower policy"**. Alternatively, the same can also be sent through email with the subject **"Protected disclosure under the Whistle Blower policy"**. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure.

In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their

name/address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.

- 6.3. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 6.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The contact details of the Vigilance and Ethics Officer is as under:-

Name and Address –

Vigilance and Ethics Officer,
Kriti Industries (India) Limited
Brilliant Sapphire, 801-804, 8th Floor, Plot No. 10 Scheme no 78-II, Vijay Nagar, Indore (M.P.) 452010
Email- whistleblower@kritiindia.com

- 6.6. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Name and Address of Chairman –

Shri Manoj Fadnis
Chairman Audit Committee
Kriti Industries (India) Limited
15 HIG Vijay Nagar, AB Road, Indore – 452010

- 6.7. On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
 - a) Brief facts;
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether the same Protected Disclosure was raised previously on the same subject;
 - d) Details of actions taken by Vigilance and Ethics Officer / Chairman of the Audit Committee for processing the complaint
 - e) Findings of the Audit Committee
 - f) The recommendations of the Audit Committee/ other action(s).
- 6.8. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

7. INVESTIGATION

- 7.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- 7.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- 7.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 7.4. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 7.5. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 7.6. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 7.7. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.8. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 7.9. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISION AND REPORTING

- 8.1. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 8.2. The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

- 8.3. In case the Subject is related to the Vigilance and Ethics Officer of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Chairman of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

- 9.1. The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
 - 9.1.1. Maintain confidentiality of all matters under this Policy
 - 9.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
 - 9.1.3. Not keep the papers unattended anywhere at any time
 - 9.1.4. Keep the electronic mails / files under password.

10. PROTECTION

- 10.1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity

of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

- 10.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

- 11.1. The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

- 12.1. A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

13. RETENTION OF DOCUMENTS

- 13.1. All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

14. ADMINISTRATION AND REVIEW OF THE POLICY

- 14.1. The Chief Financial Officer shall be responsible for the administration, interpretation, application and review of this policy. The Chief Financial Officer also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

15. AMENDMENT

- 15.1. The Company reserves its right to amend or modify this Policy in whole or in part, at anytime without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

ANNEXURE F

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2023

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

Secretarial Audit Report

To

The Members

KRITI INDUSTRIES (INDIA) LIMITED

CIN: L25206MP1990PLC005732

Registered Office: Mehta Chambers,

34-Siyagunj,

Indore (M.P.) – 452007

Corporate Office: 8th Floor, Plot no.10, PSP,

IDA Scheme no. 78-II, Vijay Nagar

Indore (M.P.) 452010

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **KRITI INDUSTRIES (INDIA) LIMITED** (hereinafter called the Company) having **CIN-L25206MP1990PLC005732** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents, KMPs, Directors and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **KRITI INDUSTRIES (INDIA) LIMITED** for the financial year ended on March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable to the Company during the audit period)
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the audit period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

- (vi) other laws are applicable specifically to the Company are as under:

- (a) The Environment (Protection) Act, 1986;
- (b) The water (Prevention and Control of Pollution) Act, 1974;
- (c) The Air (Prevention and Control of Pollution) Act, 1981;

- (d) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
- (e) Factories Act, 1948;
- (f) Industrial Dispute Act, 1947;
- (g) The Payment of Wages Act, 1936;
- (h) The Minimum Wages Act, 1948;
- (i) The Employee State Insurance Act, 1948;
- (j) The Employee Provident Fund and Miscellaneous Provision Act, 1952;
- (k) The Payment of Bonus Act, 1965;
- (l) The Payment of Gratuity Act, 1972;
- (m) The Income Tax Act, 1961;
- (n) Contract Labour (Regulation and Abolition) Act, 1970;
- (o) The Industrial Employment (Standing Orders) Act, 1946;
- (p) The Goods and Service Tax

We have also examined compliance with the applicable clause of the following:

1. Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI) and applicable mandatorily.
2. Listing Obligations and Disclosure Requirements Regulations, 2015 as amended from time to time.

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, standard etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-

Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period there was no specific events in pursuance of the above referred laws, rules, regulations, guidelines having major bearing on the company' affairs.

For Ajit Jain & Co.,

Practicing Company Secretaries

CS Ajit Jain

(Proprietor)

M. No. F3933/C.P. No. 2876

UDIN: F003933E000344416

Peer Review No.: 767/2020

Place: Indore

Dated: 25.05.2023

PCS Unique ID No.: S1998MP023400

This report is to be read with our letter of even date as '**Annexure 1**' forms an integral part of this report.

'Annexure -1'

To,

The Members

Kriti Industries (India) Limited

CIN-L25206MP1990PLC005732

Our report of even date is to be read along with this letter (forming part of the report)

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

For Ajit Jain & Co.,

Practicing Company Secretaries

CS Ajit Jain

(Proprietor)

M. No. F3933/C.P. No. 2876

UDIN: F003933E000344416

Peer Review No.: 767/2020

PCS Unique ID No.: S1998MP023400

Place: Indore

Dated: 25.05.2023

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Kriti Industries (India) Limited (herein after referred as "Kriti") is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures which ensure long terms sustainability. Value creation for stakeholders is thus a continuous endeavor at Kriti.

On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders, all stakeholders and the society at large.

In harmony with this philosophy, the Company relentlessly strives for excellence by benchmarking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of SEBI (LODR) Regulations, 2015.

II. THE GOVERNANCE STRUCTURE

Kriti's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz:

(i) **The Board of Directors** - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism

& accountability and decision making process to be followed.

(ii) **Committees of Directors** – The company is having mandatory committees such as Audit Committee, Nomination & Remuneration Committee, CSR Committee, Stakeholders and Relationship committee etc. are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees and shareholders grievances and implementation and monitoring of CSR activities.

(iii) **Executive Management** – The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

III. BOARD OF DIRECTORS

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, ensure the independent functioning of the Board. The composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Regulations. As at the end of financial year 2022-23, the Board consists of **Seven (7)** directors, out of which Five (5) are Non-Executive Directors including **Four (4)** Independent Directors.

The names and categories of the- Directors on the Board, their attendance at Board Meetings during the year under review and at the last Annual General Meeting and also the number of Directorships and Committee Memberships held by them in other companies are given below:

Sr. No.	Name of Directors	Category	Total number of Board Meetings eligible to attend during the year	No. of Board Meeting Attended	Attended last AGM held on 17.08.2022	No. of Directorship in other public Companies As on 31.03.2023	No. of Memberships/ Chairmanship in Committee of Directors in all Public Companies#		No. of shares held in the Company	Relationship of Directors Inter-se
1.	Mr. Shiv Singh Mehta Chairman and Managing Director (DIN: 00023523)	Promoter Executive	6	6	Yes	3	0	2	20,67,299 (4.17%)	1) Spouse of Smt. Purnima Mehta-WTD; 2) Father of Shri Saurabh Singh Mehta-NED
2.	Mrs. Purnima Mehta Whole Time Director (DIN: 00023632)	Promoter Executive	6	6	Yes	2	1	3	2,97,587 (0.60%)	1) Spouse of Shri Shiv Singh Mehta-CMD; 2) Mother of Shri Saurabh Singh Mehta-NED
3.	Mr. Saurabh Singh Mehta Director (DIN: 00023591)	Promoter Non-Executive	6	5	Yes	3	0	1	30,423 (0.06%)	Son of Shri Shiv Singh Mehta, CMD and Smt. Purnima Mehta- WTD.

Sr. No.	Name of Directors	Category	Total number of Board Meetings eligible to attend during the year	No. of Board Meeting Attended	Attended last AGM held on 17.08.2022	No. of Directorship in other public Companies As on 31.03.2023	No. of Memberships/ Chairmanship in Committee of Directors in all Public Companies#		No. of shares held in the Company	Relationship of Directors Inter-se
							Chairman	Member		
4.	Mr. Rakesh Kalra Director (DIN: 00780354)	Independent Non-Executive	6	6	Yes	4	0	2	Nil	Not applicable
5.	CA Manoj Fadnis Director (DIN: 01087055)	Independent Non-Executive	6	6	Yes	4	3	1	Nil	Not applicable
6.	Mr. Chandrasekharan Bhaskar Director (DIN: 00003343)	Independent Non-Executive	6	6	Yes	3	1	1	Nil	Not applicable
7.	Mr. Hitendra Mehta Director (DIN: 01935959)	Independent Non-Executive	6	2	No	Nil	Nil	Nil	Nil	Not applicable

#Includes only Memberships of the Audit Committee and Stakeholders Relationship Committee.

S. No.	Name of Director	Name of other Listed entities in which person is Director	Category of Directorship
1.	Mr. Shiv Singh Mehta	Kriti Nutrients Limited	Chairman and Managing Director, Promoter, Executive
2.	Mrs. Purnima Mehta	Kriti Nutrients Limited	Non-Executive, Non Independent Director
3.	Mr. Saurabh Singh Mehta	Kriti Nutrients Limited	Whole-time Director, Promoter, Executive
4.	Mr. Rakesh Kalra	Kriti Nutrients Limited	Non-Executive - Independent Director
		Jamna Auto Industries Limited	Non-Executive - Independent Director
5.	CA Manoj Fadnis	Kriti Nutrients Limited	Non-Executive - Independent Director
		The Federal Bank Ltd	Non-Executive - Independent Director
6.	Mr. Chandrasekharan Bhaskar	Kriti Nutrients Limited	Non-Executive - Independent Director
		Xpro India Limited	Managing Director, Executive
7.	Mr. Hitendra Mehta	-	-

Details about Directors seeking Appointment / Reappointment(s) at the forthcoming Annual General Meeting are given separately along with Notice convening the said Meeting.

CS Pankaj Baheti was Company Secretary & Compliance Officer of the Company as well as was functioning as the Secretary of all committees. However, CS Pankaj Baheti has resigned from the company w.e.f. 22nd March, 2023 and CS Tanuj Sethi has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. 22nd March, 2023.

During the financial year 2022-23 the Board of Directors met **Six (6)** times on (i) 4th April, 2022, (ii) 30th May, 2022, (iii) 6th August, 2022 (iv) 9th November, 2022, (v) 3rd February, 2023 and (vi) 22nd March, 2023.

Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of

the Company's business and that the said skills are available with the Board Members:

1. Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
2. Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
3. Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
4. Financial and Management skills,
5. Technical / Professional skills and specialized knowledge in relation to Company's business.

DIRECTORS HAVING SUCH SKILL AND COMPETENCIES

Skills to be possessed by Directors	Mr. Shiv Singh Mehta	Mrs. Purnima Mehta	Mr. Saurabh Singh Mehta	Mr. Rakesh Kalra	CA Manoj Fadnis	Mr. Chandrasekharan Bhaskar	Mr. Hitendra Mehta
Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Financial and Management skills.	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills and specialized knowledge in relation to Company's business. Yes Yes Yes Yes Yes Yes Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has familiarization program for Independent Directors to provide them with an opportunity to familiarize themselves with the Company, its Management, its operations and the industry in which the Company operates. On his appointment, an Independent Director, receives a formal letter of appointment, setting out in detail the role, functions, duties and responsibilities expected of him as an Independent Director of the Company. Further the Directors of the Company are updated on changes/developments in domestic/ global corporate and industry scenario including those pertaining to statutes/ legislations and economic environment and on matters related to the Company covering its plants, products, marketing, competitors and other functions. Familiarisation Programme can be accessed at the link: <https://kritiindustries.com/investor-desk/policies/>

CONFIRMATION THAT IN THE OPINION OF THE BOARD, THE INDEPENDENT DIRECTOR FULFILL THE CONDITION SPECIFIED IN THIS REGULATION AND ARE INDEPENDENT OF THE MANAGEMENT:

All the Independent Directors have given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management does hereby confirms their independency.

Sr.No.	Name of the Members	Designation in the Company	Position in the Committee	No. of Meetings Attended
1.	CA Manoj Fadnis	Independent Director	Chairman	5
2.	Mr. Rakesh Kalra	Independent Director	Member	5
3.	Mrs. Purnima Mehta	Whole-time Director	Member	5

During the year under review, the Committee met on (i) 4th April, 2022, (ii) 30th May, 2022, (iii) 6th August, 2022 (iv) 9th November, 2022 and (v) 3rd February, 2023.

The Company Secretary is also functioning as the secretary to the Committee.

CA Manoj Fadnis, Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.

DETAILED REASON FOR RESIGNATION OF INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH THE CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASON OTHER THAN THOSE PROVIDED:

There is no resignation of any independent Director during the Financial Year.

IV. AUDIT COMMITTEE

The Board has constituted a well-qualified Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman. All the members are financially literate and possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The Audit Committee is in compliance with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as applicable.

The particulars of Members of the Committee, and the number of Meetings attended by them during the year are as follows:

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's/ Directors' report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters/letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee;
5. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

6. The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015; and
7. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

Sr.No.	Name of the Members	Designation in the Company	Position in the Committee	No. of Meetings Attended
1.	Mr. Rakesh Kalra	Independent Director	Chairman	4
2.	CA Manoj Fadnis	Independent Director	Member	4
3.	Mr. Chandrasekharan Bhaskar	Independent Director	Member	4

All the three members of the remuneration committee are non-executive and independent directors.

During the year under review, the Committee met Four (4) times during the financial year on (i) 4th April, 2022, (ii) 30th May, 2022, (iii) 3rd February, 2023 and (iv) 22nd March, 2023.

The Company Secretary is also functioning as the secretary to the Committee.

The terms of reference of the Nomination and Remuneration Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in

V. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors in compliance with Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as applicable.

The particulars of Members of the Committee, and the number of Meetings attended by them during the year are as follows:

accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS INCLUDING INDEPENDENT DIRECTORS

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria and process for performance evaluation of the Non-Executive Directors including Independent Directors and Executive Directors to judge the knowledge to perform the role, time and level of participation, performance of duties, professional conduct, independence etc. The appointment/re-appointment/continuation of Directors on the Board shall be based on the outcome of evaluation process.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee has adopted a policy which, inter-alia, deals with the manner of selection of members of the Board including Executive and Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The said policy is available on the Company's Website at -<https://kritiindustries.com/investor-desk/policies/>.

DETAILS OF REMUNERATION PAID TO THE DIRECTORS:

The details of Remuneration to Directors during the financial year 2022-23 are as follows:

Sr.No.	Name of the Directors	Designation	Service Contract	Remuneration drawn Amount (Rs in Lakhs)		Stock Options Granted
				Salary, Allowances, Perquisites & Commission	Sitting Fees	
1.	Mr. Shiv Singh Mehta	Chairman and Managing Director	01.10.2021 to 30.09.2026*	73.20	-	-
2.	Mrs. Purnima Mehta	Whole Time Director	01.07.2019 to 30.06.2022** 01.07.2022 to 30.06.2025	59.80	-	-
3.	Mr. Saurabh Singh Mehta	Non Executive Director	Liable to retire by rotation	-	1.00	-
4.	Mr. Rakesh Kalra	Independent Director	01.04.2019 to 31.03.2024	-	1.24	-
5.	CA Manoj Fadnis	Independent Director	01.04.2019 to 31.03.2024	-	1.24	-
6.	Mr. Chandrasekharan Bhaskar	Independent Director	12.05.2021 to 11.05.2026	-	1.00	-
7.	Mr. Hitendra Mehta	Independent Director	13.08.2021 to 12.08.2026	-	0.40	-

*Mr. Shiv Singh Mehta was re-appointed as the Chairman and Managing Director by passing Special Resolution at the 31st AGM held on 07.08.2021 for a period of 5 years w.e.f. 01.10.2021 and will also attain age of 70 years during the proposed tenure.

** Mrs. Purnima Mehta was re-appointed as the Whole-time Director of the Company by special resolution at the 31st AGM held on 07.08.2021 for a period of 3 years w.e.f. 01.07.2022.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee. The terms of reference of the Committee are to consider and approve the transfer of shares, consolidation / split of share certificates, issue of duplicate share certificates, non-receipt of dividend, claims of shares from the IEPF Authority, non-receipt of Annual Reports and other allied matters. The said Committee is also empowered to look into and address Shareholders, Security holders and Investors Grievances in compliance with the SEBI (LODR) Regulations, 2015.

During the financial year ended 31st March, 2023, Seventeen (17) Complaints were received from shareholders and the same were redressed to the satisfaction of the shareholders and no such complaints were pending as on 31st March, 2023.

Mr. Chandrasekharan Bhaskar, Non-Executive- Independent Director, is the Chairman of the Committee. While Mr. Shiv Singh Mehta, Chairman and Managing Director, Mrs. Purnima Mehta, Whole Time Director and Mr. Saurabh Singh Mehta, Non-Executive Director are the Members.

The Company Secretary is also acting as the Compliance Officer and as the secretary to the Committee.

The Committee has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company. During the financial year ended 31st March, 2023 the Committee met on 1st July 2022, 25th July 2022, 30th August 2022, 6th February 2023 and 24th March 2023 in which all the members have attended the meeting.

VII. CORPORATE SOCIAL RESPONSIBILITY

The role of CSR Committee of the Board is to review, monitor and provide strategic direction to the Company's CSR practices. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies. The Committee has formulated and monitors the CSR policy and recommends to the Board the annual CSR plan comprising the CSR Budget and CSR activities of the Company in terms of Companies Act, 2013.

The composition of the Corporate Social Responsibility Committee and the attendance of Members at the Corporate Social Responsibility Committee meetings is as below:

Sr.No.	Name of the Members	Designation in the Company	Position in the Committee	No. of Meetings Attended
1.	Mr. Shiv Singh Mehta	Managing Director	Chairman	1
2.	Mrs. Purnima Mehta	Whole-time Director	Member	1
3.	Mr. Rakesh Kalra	Independent Director	Member	1

During the year under review, Corporate Social Responsibility Committee met once i.e. on 9th November, 2022.

The Company Secretary is also functioning as the secretary to the Committee.

The terms of reference of Corporate Social Responsibility Committee are as under:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes;
- details of need and impact assessment, if any, for the projects undertaken by the company; and

- the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

VIII. INDEPENDENT DIRECTORS' MEETING

The Statutory role of Independent Directors Meeting is to review the performance of Non-Independent Directors, the Board and the Chairman of the Company and also to assess quality, content and timeliness of the flow of information between the Company Management and the Board and its Committees. Meeting of the Independent Directors was held on 22nd March, 2023 to review the performance of Non-Independent Directors including the Chairman and the Board as a whole and was attended by all Independent Directors of the Company.

IX. SENIOR MANAGEMENT

Sr.No.	Name of the Senior Management	Designation in the Company	Change during the year	Date of such change
1.	Mr. Manash Ghosh	Vice President - Operation	-	-
2.	Mr. Shailendra Sahay	Vice President – Sales and Marketing	-	-
3.	Ms. Apeksha Baisakhiya	CS & Compliance Officer	Cessation	4 th April, 2022
4.	Mr. Pankaj Baheti	CS & Compliance Officer	Appointment	4 th April, 2022.
5.	Mrs. Vinita Puntambekar	CFO	Cessation	3 rd February, 2023
6.	Mr. Rajesh Sisodia	CFO	Appointment	3 rd February, 2023
7.	Mr. Pankaj Baheti	CS & Compliance Officer	Cessation	22 nd March, 2023
8.	Mr. Tanuj Sethi	CS & Compliance Officer	Appointment	22 nd March, 2023

X. GENERAL MEETINGS

The location, date and time of the General Meetings held for the last three financial years are as under:

Year	Location	Date	Type of General Meeting	Time	Special Resolutions	Special resolution through postal Ballot
2021-22	Held through VC/OAVM in which Deemed venue for the AGM was at 8thFloor, Brilliant Sapphire, Plot No. 10, PSP, IDA Scheme No. 78-II,Indore -452010 (MP)	17 th August, 2022	AGM	3:00 P.M.	Yes (1)	-
2020-21	Do	7 th August, 2021	AGM	3:00 P.M.	Yes (2)	-
2019-20	Do	8 th August, 2020	AGM	3:00 P.M.	Yes (1)	-

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

XI. MEANS OF COMMUNICATION

Effective communication of consistent, comparable, relevant and reliable information is an effective component of Corporate Governance. It is a process of sharing information, thoughts, opinion, and plans to all stakeholders which promote management-shareholder relations.

Quarterly Results: The Company's quarterly results are published in 'Business Standard and Nai Duniya or Chautha Sansar' Newspapers and are displayed on its website (www.kritiindustries.com).

Website: The Company's website (www.kritiindustries.com) contains a separate dedicated section 'Investor Desk' where shareholders' information is available. The Company's Annual

Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Financial Statements (Standalone and Consolidated), Directors' Report and its annexures as required, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussions and Analysis Report forms part of the Annual Report and is displayed on the Company's website (www.kritiindustries.com).

BSE Corporate Compliance and Listing Centre (the 'Listing Centre') and NSE's Electronic Application Processing System (NEAPS): BSE's Listing Centre and NSE's NEAPS are web-based application designed for corporate. All periodical compliance filings like financial results,

shareholding pattern, corporate governance report, Annual Report, Related Party Transactions, Investors complaint, Annual Secretarial Compliance Report, etc as required under SEBI (LODR) Regulations as well as SEBI (PIT) Regulations and other requirements as may be applicable from time to time are filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized data base of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Presentation made to Institutional Investors or to the analysts: Presentation made to Investors/ Analysts are available on the website of stock exchanges where the shares of the Company are listed (BSE and NSE) as well as on the Company's website.

XII. OTHER DISCLOSURES UNDER SEBI LISTING REGULATIONS

1. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the IND-AS has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

Weblink-<https://kritiindustries.com/investor-desk/policies/>

During the last three years, no non-compliance has been noticed and no penalties, strictures were imposed by stock exchange, SEBI or any statutory authority on the Company or its promoters and directors in respect of any matter related to capital market.

2. The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to give their views on the accounting policies and practices of the Company, report unethical or undesirable behavior or practices, actual and suspected fraud taking place in the Company, violations of Company's Code of Conduct or ethics policy. The reportable matters may be disclosed to the Audit Committee through the Chairman/Secretary of the Audit Committee. In exceptional cases employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

3. Your Board affirms that, there is no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.
4. The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.
5. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2022-23 are as under:
 - a. Number of complaints filed during the financial year: NIL
 - b. Number of complaints disposed of during the financial year: NIL
 - c. Number of complaints pending as on end of the financial year: NIL
6. The Company complied with all mandatory requirements and has adopted non-mandatory requirement as per details given below:

A. The Board:

The Company is having Executive Chairman.

B. Shareholder's Rights:

The quarterly and half yearly results are published in the newspaper and also displayed on the website of the Company and are submitted and hosted at the portal of National Stock Exchange of India Ltd. and BSE Ltd. where the shares of the Company are listed.

C. Audit Qualification:

The auditors have not qualified the financial statement of the Company. The Secretarial Auditor have not qualified his report. The Company continues to adopt best practices in order to ensure unqualified financial statements and secretarial audit report.

D. Reporting of Internal Auditor:

The Internal Auditors of the Company report to the Audit Committee.

7. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: The company has paid Rs. 5.25 Lakhs to M/s Rakesh Kumar & Associates for the year ended 31st March, 2023 and the consolidated Remuneration given to the Auditors for the year 2022-23 is Rs. 5.87 Lakhs.
8. Company has also annexed a certificate from M/s Ajit Jain & Co., Company Secretaries, a Practicing company Secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies

by the Board/Ministry of Corporate Affairs or any such statutory authority as at 31st March, 2023.

9. The company is not having any demat suspense account/ unclaimed suspense account during the year under review. The company has a demat suspense account/ unclaimed suspense account. No shares have been credited during the year under review.
10. Secretarial Compliance Report: In compliance of the SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A(2) of the SEBI (LODR) Regulations, 2015, the Company has engaged the services of CS Ajit Jain (CP No. 2876), Practising Company Secretary for providing said report. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report provided by Practising Company Secretaries under Form MR-3.
11. Disclosure by the company and its subsidiary company of loans and advances in the nature to Firms/companies in which directors are interested. Neither Company nor its wholly owned subsidiary company (Kriti Auto & Engineering Plastics Private Limited) has given any loans and advances in the nature of loans to Firms/companies in which directors are interested except loans and advances given by its wholly owned subsidiary company to the Company. Details are given in the notes to the accounts.

12. Since, the company is not having any material subsidiary, therefore, the requirement for furnishing information of material subsidiary company is not applicable.
13. The company has not entered into any type of agreements as prescribed under Clause 5A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015.

XIII. CONFIRMATION OF COMPLIANCE

1. The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.
2. The Company has laid down Code of Conduct for the Directors and Senior Management Personnel of the Company and they have affirmed to the Board that they have adhered to the Code of Conduct during the year ended 31st March, 2023 and the declaration to that effect from Chairman and Managing Director is annexed to this report.
3. The compliance Certificate from M/s Ajit Jain & Co., Company Secretaries that the Company has complied with the conditions of Corporate Governance is annexed to the Report of the Board of Directors.
4. Matters required to be covered under Management Discussion and Analysis report are covered in the Report of the Board of Directors under relevant heads, hence not been given separately.

XIV. GENERAL SHAREHOLDER INFORMATION

1.	The Company is registered in the State of Madhya Pradesh, India with the Registrar of Companies, Gwalior. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L25206MP1990PLC005732.
2.	Annual General Meeting Date, Time and Venue 28 th August, 2023 at 3.00 P.M.(through VC/OAVM) for which purposes deemed venue shall be at 8 th Floor, Brilliant Sapphire, Plot No. 10, PSP, IDA, Scheme No. 78-II, Indore (M.P.) - 452010
3.	Book Closure Date 22 nd August, 2023 to 28 th August, 2023 (Both days inclusive)
4.	Dividend Payment Date the company has not proposed any dividend
5.	Financial Year April 1 to March 31
6.	Financial Calendar for the Year ending 31 st March, 2024

Sr. No.	Particulars	Actual/Tentative Date
1.	Unaudited Financial Results for the First Quarter ending 30 th June, 2023	22 nd July, 2023
2.	Unaudited Financial Results for the Second Quarter ending 30 th September, 2023	On or Before 14 th November, 2023
3.	Unaudited Financial Results for the Third Quarter ending 31 st December, 2023	On or Before 14 th February, 2024
4.	Audited Financial Results for the Fourth Quarter ending 31 st March, 2024	On or Before 30 th May, 2024
5.	Annual General Meeting for the year ending 31 st March, 2024	On or before 30 th September, 2024

7. Listing on Stock Exchange

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051

Symbol : KRITI

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Scrip Code – 526423
ISIN - INE479D01038

8. Annual Listing fees for the year 2023-24 have been duly paid to the above Stock Exchanges and the trading of the shares being regular during the year under review.
9. Annual Custody / Issuer fee for the year 2023-24 has been paid to NSDL and CDSL.

10. Stock Market Data:

Data on the closing share prices of the Company on Stock Exchanges during the year under review is as follows:

Month/Year	Kriti		BSE Sensex		Kriti		NIFTY	
	Price (Rs.)				Price (Rs.)			
	High	Low	High	Low	High	Low	High	Low
Apr 2022	122.05	102.45	60845.10	56009.07	122.50	102.55	18114.65	16824.7
May 2022	117.70	85.80	57184.21	52632.48	118.00	85.35	17132.85	15735.75
June 2022	87.55	63.75	56432.65	50921.22	87.45	64.00	16793.85	15183.4
July 2022	83.70	68.40	57619.27	52094.25	84.70	68.15	17172.8	15511.05
Aug 2022	100.00	67.95	60411.20	57367.47	99.30	67.85	17992.2	17154.8
Sep 2022	107.80	81.15	60676.12	56147.23	107.00	81.65	18096.15	16747.7
Oct 2022	99.15	88.20	60786.70	56683.40	105.00	87.55	18022.8	16855.55
Nov 2022	92.90	77.80	63303.01	60425.47	95.85	77.50	18816.05	17959.2
Dec 2022	90.35	70.45	63583.07	59754.10	90.60	66.65	18887.6	17774.25
Jan 2023	88.45	76.20	61343.96	58699.20	88.80	76.05	18251.95	17405.55
Feb 2023	110.75	72.60	61682.25	58795.97	110.15	72.90	18134.75	17255.2
Mar 2023	115.90	95.04	60498.48	57084.91	116.85	96.00	17799.95	16828.35

5. Dividend History:

The Dividend declared and paid during the previous five financial years is as under:

Sr.No.	Financial Year	% of Interim Dividend	% of Final Dividend	% of Total Dividend	Dividend Amount in Lakhs
1.	2021-22	-	20	20	99.21
2.	2020-21	-	20	20	99.21
3.	2019-20	-	15	15	74.40
4.	2018-19	-	15	15	74.40
5.	2017-18	-	15	15	74.40

6. Registrar & Transfer Agent:

Ankit Consultancy Pvt. Limited

Plot No. 60, Electronic Complex, Pardeshipura

Indore- 452 010 (M.P.)

SEBI Reg. No. NR000000767

Tel: 0731-4065797/ 0731-4065799

E-mail: ankit4321@yahoo.com, info@ankitonline.com, support@ankitonline.com

11. Distribution of Shareholding as on 31st March,2023:

Shares Holding of Nominal Value of Rs.	No. of Shareholders	% of Shareholding
1-1000	9260	4.21
1001-2000	749	2.34
2001-3000	237	1.20
3001-4000	173	1.21
4001-5000	71	0.67
5001-10000	118	1.70
10001-20000	52	1.49
20001-30000	18	0.88
30001-40000	19	1.36
40001-50000	2	0.17
50001-100000	11	1.40
100000 Above	23	83.36
Total	10733	100.00

12. Dematerialization of Shares:

4,86,33,040 Equity Shares i.e. 98.04% of the total Equity Shares have been dematerialized upto 31st March, 2023.

Trading in Equity Shares of the Company on Stock Exchanges is permitted only in dematerialized form as per the directions issued by the Securities and Exchange Board of India in that behalf.

13. Company has no outstanding GDR's, ADR's, Warrants or any other Convertible Instruments.

14. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure hedged through commodity derivatives. During the year 2022-23, the company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against imports.

15. **Plant Location:**13/1 Tarpura, 75-86, Sector No. 2, Industrial Area, Pithampur, Dist. Dhar (M.P.)-454775

16. Address for Investor Correspondence:

Registered Office:

Kriti Industries (India) Limited

34, Mehta Chambers, Siyagunj
Indore 452007 (M.P.)
Tel: 0731-2540963
Email:cs1@kritiindia.com

Corporate Support Centre:

Kriti Industries (India) Limited

Brilliant Sapphire, 801-804, 8th Floor
Plot No. 10, Sch No.78-II, Vijay Nagar
Indore – 452010 (M.P.)
Tel: 0731-2719100
Email: cs1@kritiindia.com

Declaration Regarding Compliance with the Company's Code of Conduct pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As required by Regulation 26 (3), Regulation 34(3) read with Schedule V (D) of the SEBI (LODR) Regulations, 2015, I hereby declare that all the Directors and Senior Management of the Company have confirmed compliance with the Code of Conduct as adopted by the Company.

Place: Indore
Date: 22.07.2023

Shiv Singh Mehta
Chairman and Managing Director
DIN : 00053523

ANNEXURE-1

Corporate Governance Certificate

To
The Members of
KRITI INDUSTRIES (INDIA) LIMITED
CIN L25206MP1990PLC005732
Registered Office: Mehta Chambers,
34-Siyaganj, Indore (M.P.) 452007

1. I, Ajit Jain, Proprietor at Ajit Jain & Co., Practicing Company Secretaries, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books, papers, minutes books, forms, returns and other relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2023.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
7. The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Ajit Jain & Co.
Company Secretaries

CS Ajit Jain
(Proprietor)
M.No: 3933
C.P. No: 2876

UDIN number: F003933E000344460
Peer Review Certificate No. 767/2020
PCS Unique ID No.: S1998MP023400

Place: Indore
Date: 25/05/2023

Annexure-2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Kriti Industries (India) Limited,
CIN: L25206MP1990PLC005732
Mehta-Chambers 34, Siyaganj, Indore MP-452007.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kriti Industries (India) Limited, having CIN L25206MP1990PLC005732 and having registered office at Mehta-Chambers 34, Siyaganj, Indore MP-452007 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN/PANs	Date of appointment in Company
1.	Shiv Singh Mehta	00023523	01/10/2010
2.	Saurabh Singh Mehta	00023591	07/02/2018
3.	Purnima Mehta	00023632	01/10/1999
4.	Rakesh Kalra	00780354	24/06/2006
5.	Manoj Fadnis	01087055	24/06/2006
6.	Chandrasekharan Bhaskar	00003343	12/05/2016
7.	Hitendra Mehta	01935959	13/08/2021

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

For Ajit Jain & Co.
Company Secretaries

CS Ajit Jain
(Proprietor)
M.No: 3933
C.P. No: 2876

UDIN number: F003933E000344471
Peer Review Certificate No. 767/2020
PCS Unique ID No.: S1998MP023400

Place: Indore
Date: 25/05/2023

Independent Auditor's Report

To,
The Members,
Kriti Industries (India) Limited

Report on Audit of the Standalone Financial Statements:

Opinion:

We have audited the accompanying standalone financial statements of **KRITI INDUSTRIES (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2023**, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, the loss and total 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 Standalone financial statements 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 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 audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on our standalone financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1.	<p>Evaluation of Litigations and Tax Positions</p> <p>[Note No. 31(c) read with Note No. 2.2.10 to the standalone financial statements]:</p> <p>The Company's operations are subject to periodic challenges by local tax authorities on a range of tax matters arising in the normal course of business including direct tax and indirect tax matters. Estimating the income tax expense also requires the Company to determine the probability of tax authorities accepting a particular tax treatment for potential tax exposures. These involve significant judgment by the Company to determine the possible outcome of the tax litigations and potential tax exposures, consequently having an impact on related accounting and disclosures in the standalone financial statements.</p>	<p>Our audit approach involved: -</p> <p>a) Obtaining an understanding of the current status of the key tax litigations/ tax assessments;</p> <p>b) Evaluating the Company's assessment of the possible outcome of tax litigations, potential tax exposures and related disclosures in the standalone financial statements.</p> <p>c) Examining communication received from various Tax Authorities/Judicial forums and consultations carried out by the Company including with external tax experts for key tax litigations and follow up action thereon;</p> <p>d) Evaluating the status of the recent tax assessments / inquiries, results of previous tax assessments, legal precedence / judicial rulings and changes in the tax environment. This is performed to assess and challenge the Company's estimate of the possible outcome of key tax litigations.</p> <p>e) Evaluating the merit of the subject matter under consideration with reference to available independent legal / tax advice; and</p> <p>f) Review and analysis of evaluation of the contentions of the Company through discussions, collection of details of the subject matter under consideration and the likely outcome.</p>
	<p>We determined the above areas as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters.</p>	

Information Other than the Standalone Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information ("the Other Information"), but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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 for accounting unless the 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 are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone 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 the 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 the users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
 - 2) (A) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone 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 the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure – B". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- (B) 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:
- a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 31(c) to the standalone Ind AS financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There was no delay in transferring the amount, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2023.
 - d) (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47 (vii) 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 47 (viii) 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee,

security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in Note 44 to the financial statements, the Board of Directors of the Company have not proposed any final dividend for the current year.
- f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts 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.

- (C) 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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants
Firm Reg. No.: 002150C

CA. PUNEET GUPTA

Partner

Membership No.: 413168

UDIN : 23413168BGYNBR9059

Place : Indore

Date : 25th May 2023

“Annexure A” to the Auditor’s Report

The Annexure referred to in paragraph 1 under “Report on other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date on the standalone Ind AS financial statements to the members of Kriti Industries (India) Limited for the year ended 31st March 2023, we further report that:

- (i) (a) (A) As informed to us, the Company has maintained proper records, on yearly basis, showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) As informed to us, the Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the management of the Company has done physical verification of certain property, plant and equipment at reasonable intervals in accordance with programme of verification, which in our opinion is reasonable, having regard to the size of the company and nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) Accordingly to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) 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 proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) As informed to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No material discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, no material discrepancy has been noticed in the quarterly returns or statements filed by the Company with such banks when compared with the books of accounts of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties during the year.
 - (a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided loans or advances in the nature of loans, or guarantee or security to any other entity during the year. Accordingly, clause 3(iii)(a)(A) and 3(iii)(a)(B) is not applicable to the company.
 - (b) - (f) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the company has not made any investment, provided the guarantees or security or loans or advances in the nature of loans during the year. Accordingly, clause 3(iii)(b) to 3(iii)(f) is not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security or made any investments during the year as specified under Section 185 and Section 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted nor invited any deposits or amounts which are deemed to be deposits from the public within the provision of Section 73 to 76 of Companies Act, 2013 and rules made there under. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examinations of the records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at March 31, 2023 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, following dues of Income Tax, Sales Tax, Duties of Excise or Value Added Tax has not been deposited on account of any dispute: –

Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (in Rs.)
Central Sales Tax	High Court of MP	2005-06	7238189
Central Sales Tax	High Court of MP	2006-07	1335795
Entry Tax	High Court of MP	2007-08	1355843
Excise Duty	Commissioner (Appeals) , Bhopal	2012-13	1561842
Excise Duty	Commissioner (Appeals) , Bhopal	2013-14	2975540
Excise Duty	CESTAT , New Delhi	2011-12 & 2012-13	6910490
Excise Duty	CESTAT , New Delhi	2013-14	1903223
Excise Duty	CESTAT , New Delhi	2016-17	506346
Central Sales Tax	Deputy Commissioner, Indore	2014-15	269734
Central Sales Tax	Additional Commissioner, Indore	2015-16	846438
Income Tax	Asst. Director, IT, CPC , Bengaluru	2019-20	94170

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to information and explanations given to us by the management and according to the records of the company examined by us, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings from any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans availed by the company were, prima-facie, applied by the company for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates, as defined in the Act. The Company does not hold any investment in any joint venture (as defined in the Act) during the year ended 31st March 2023.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associates (as defined under the Act). The Company does not hold any investment in any joint venture (as defined in the Act) during the year ended 31st March 2023.
- (x) (a) To the best of our knowledge and belief and according to the information and explanations given to us and based on documents provided to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x) (a) of the Order is not applicable.
- (b) According to the information and explanation given to us, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debenture during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books of accounts and records of the Company, carried out

- in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on the company by its officers/employees or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii)(a) to 3(xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanation given to us, and based on document provided to us, all transactions with the related parties are in compliance with section 177 & section 188 of the Companies Act 2013 where applicable and details of such transactions to the extent required has been disclosed in the standalone Ind AS financial statements as required by applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (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 its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) - (b) In our opinion and according to explanations given to us, the company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs. 1427.49 lakhs in the current financial year. However, there was no cash loss in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (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, 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 the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of the documents produced before us, the company in respect of ongoing projects, has transferred the unspent amount to a special account in compliance with the provisions of sub-section (6) of the Section 135 of the Companies Act.

FOR RAKESH KUMAR & ASSOCIATES
Chartered Accountants
Firm Reg. No.: 002150C

CA. PUNEET GUPTA
Partner

Place : Indore
Date : 25th May 2023

Membership No.: 413168
UDIN : 23413168BGYNBR9059

“Annexure B” to the Auditor’s Report

The Annexure referred to in paragraph 2(A)(f) under “Report on other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date on the standalone Ind AS financial statements to the members of Kriti Industries (India) Limited for the year ended 31st March 2023.

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 with reference to standalone financial statements of Kriti Industries (India) Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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 with reference to standalone financial statements 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 Standards on Auditing, 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 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 standalone financial statements 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements

were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR RAKESH KUMAR & ASSOCIATES
Chartered Accountants
Firm Reg. No.: 002150C

CA. PUNEET GUPTA
Partner

Place : Indore
Date : 25th May 2023

Membership No.: 413168
UDIN : 23413168BGYNBR9059

Balance Sheet as on 31.03.2023

(Rs. in Lakhs)

PARTICULARS	Note No	As at 31.03.2023	As at 31.03.2022
ASSETS			
(1) NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	12,349.59	10,581.25
(b) Capital work-in-progress		1,688.75	1,371.41
(c) Other Intangible assets	4	4.54	8.98
(d) Financial Assets			
(i) Investments	5	1,061.96	778.15
(ii) Other financial assets	6	191.41	207.78
Total Non Current Assets		15,296.25	12,947.57
(2) Current Assets			
(a) Inventories	7	15,943.71	20,656.42
(b) Financial Assets			
(i) Trade receivables	8	5,343.34	3,242.58
(ii) Cash and cash equivalents	9	2.10	0.73
(iii) Bank balances other than (ii) above	10	1,279.84	1,347.63
(iv) Loans	11	154.72	224.44
(c) Income tax assets (Net)	12	205.76	105.81
(d) Other current assets	13	3,635.46	3,083.20
Sub Total		26,564.93	28,660.81
(3) Non current assets held for sale	13a	-	24.79
Total Current Assets		26,564.93	28,685.60
Total Assets		41,861.18	41,633.17
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	496.04	496.04
(b) Other Equity	15	12,441.59	14,879.49
Total Equity		12,937.63	15,375.53
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	3,324.83	1,960.49
(ia) Lease Liabilities	16	266.77	287.60
(b) Deferred tax liabilities (Net)	17	286.82	1,016.40
(c) Other non-current liabilities	18	430.08	318.27
(d) Provisions	23	55.24	22.97
Total Non Current Liabilities		4,363.74	3,605.73
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	9,194.56	8,438.92
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note No.33)	20	359.62	260.27
(b) Total outstanding dues of creditors other than micro and small enterprises	20	12,561.47	12,463.35
(iii) Others	21	15.12	13.34
(b) Other current liabilities	22	2,230.45	1,117.59
(c) Provisions	23	198.59	183.44
Total Current Liabilities		24,559.81	22,476.91
(3) Advances received against assets held for sale	24	-	175.00
Total Equity and Liabilities		41,861.18	41,633.17

Significant accounting policies & Notes to the accounts 1 - 48

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May/2023

Statement of Profit & Loss

For the period ended 31.03.2023

(Rs. in Lakhs)

Particulars	Note No	For the year ended 31.03.2023	For the year ended 31.03.2022
REVENUE			
Revenue From Operations	25	73,247.39	54,473.96
Other Income	26	353.07	134.88
Total Income		73,600.46	54,608.84
EXPENSES			
Cost of materials consumed		62,885.56	46,686.95
Changes in inventories of finished goods, Stock-in-Trade and Work-in-Progress		1,976.46	(2,738.21)
Employee benefits expense	27	2,931.38	2,323.95
Finance costs	28	1,735.49	1,435.14
Depreciation and amortization expense	3-4	913.35	806.82
Other expenses	29	6,228.64	4,310.58
Total Expenses		76,670.88	52,825.23
Profit/(loss) before exceptional items and tax		(3,070.42)	1,783.61
Exceptional Items (Impairment Loss)		-	(116.55)
Profit/(loss) before tax		(3,070.42)	1,900.16
Tax expense:			
(1) Current tax		-	470.13
(2) Deferred tax		(729.58)	11.11
(3) Earlier Period Tax		-	15.54
Total Tax Expenses		(729.58)	496.78
Net Profit/(Loss) for the period from continuing operations		(2,340.84)	1,403.38
Profit/(Loss) for the period from discontinued operations		-	-
Tax expense:			
(i) Current tax		-	-
(ii) Deferred tax		-	-
Net Profit/(Loss) for the period from discontinued operations		-	-
Net Profit/(Loss) for the period.		(2,340.84)	1,403.38
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		2.14	(16.42)
Total Other Comprehensive Income		2.14	(16.42)
Total Comprehensive Income for the period		(2,338.70)	1,386.96
Earnings per equity share			
(1) Basic		(4.72)	2.83
(2) Diluted		(4.72)	2.83

Significant accounting policies & Notes to the accounts 1 - 48

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

For and on behalf of the Board of Directors

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May'2023

Statement of Cash Flow as on 31.03.2023

(Rs.in Lakhs)

Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		(3,070.42)		1,900.17
Adjustments for :				
Depreciation & Amortisation Expenses	913.35		806.82	
(Profit)/ Loss on Sale of Property, Plant & Equipment	(192.38)		52.30	
Financial Income	(110.60)		(98.37)	
OCI Income	2.14		(16.42)	
Financial Expense	1,735.49	2,348.00	1,435.14	2,179.47
Cash Operating Profit before working capital changes		(722.42)		4,079.64
(Increase) / Decrease in Inventories	4,712.71		(4,488.43)	
(Increase) / Decrease in Trade Receivables	(2,100.76)		507.61	
(Increase) / Decrease in Deposit given	69.72		(200.68)	
(Increase) / Decrease in Other Current Assets	(552.27)		(946.93)	
(Increase) / Decrease in Loan Given	-		-	
(Increase) / Decrease in other Financial assets	16.37		91.06	
(Increase) / Decrease in Other Non Current Assets	-		-	
Increase / (Decrease) in Trade Payables	197.48		2,220.05	
Increase / (Decrease) in Other Financial Liabilities	1.79		(0.76)	
Increase / (Decrease) in Other Current Liabilities	1,112.86		(231.76)	
Increase / (Decrease) in Provisions	47.42		45.28	
Increase / (Decrease) in Other Tax Liabilities	-		(57.85)	
		3,505.32		(3,062.41)
Tax Paid		(99.95)		(636.96)
Net Cash From Operating Activities (A)		2,682.95		380.27
Cash Flow From Investing Activities				
Financial Income	110.60		98.37	
Sale Proceed Of Property, Plant & Equipments (Net)	192.38		(52.30)	
Purchase of Property, Plant & Equipment Including CWIP Net of Govt. Grant.	(2,999.02)		(1,781.36)	
Purchase of Intangible assets Including WIP	4.43		5.22	
Advance received against asset held for sale (Net of Asset)	(150.21)		150.21	
Investment in Fixed Deposits against margin money	67.79		203.31	
(Increase) / Decrease in Non Current Investment	(283.81)		(116.55)	
Net Cash Used In Investing Activities (B)		(3,057.84)		(1,493.10)

Statement of Cash Flow

as on 31.03.2023

(Rs.in Lakhs)

Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
	Amount	Amount	Amount	Amount
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	-		-	
Repayment of Long Term Borrowings	1,364.34		(644.48)	
Net Increase / (Decrease) in Long Term Borrowings	1,364.34		(644.48)	
Increase / (Decrease) in Other Non Current Liability	90.98		24.07	
Increase / (Decrease) in Short Term Borrowings	755.64		3,267.06	
Dividend Paid on Equity Shares	(99.21)		(99.21)	
Financial Expenses	(1,735.49)		(1,435.14)	
Net Cash Used In Financing Activities (C)		376.26		1,112.30
Net Decrease In Cash and Cash Equivalents (A + B + C)		1.37		(0.54)
ADD :Cash and cash equivalents - Opening - 1st April		0.73		1.27
Cash and cash equivalents - Closing - 31st Mar'2023		2.10		0.73

Footnote to Cash Flow Statement:

1. Components of Cash and Cash Equivalents are produced as under:

Particulars	2022-23	2021-2022
Cash & Cash Equivalents		
Balances with Banks		
Current Account	1.01	0.11
FDRs	-	-
Cash on hand	1.09	0.62
Total of Cash & Cash Equivalent	2.10	0.73

Significant accounting policies & Notes to the accounts 1 - 48

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May'2023

Statement of Change in Equity for the Year ended 31st March, 2023

A. Equity Share capital

(1) Current Reporting period

Rs. In Lakhs

Equity Share Capital	Balances as at 1st April,2022	Changes in equity share capital during the year due to prior period item	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2023
Paid up Capital	496.04	-	-	-	496.04

Rs. In Lakhs

Equity Share Capital	Balances as at 1st April,2021	Changes in equity share capital during the year due to prior period item	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2022
Paid up Capital	496.04	-	-	-	496.04

B. Other Equity

(1) Current Reporting period

Rs. In Lakhs

	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Share Forfeiture Account	Retained Earnings	
Balance as at 1 st April 2022	-	466.14	3,825.00	2.73	10,585.62	14,879.49
Total Comprehensive income for 2022-23					(2,340.84)	(2,340.84)
Actuarial Gain/Loss on Defined Benefit Plan recognised in Other Comprehensive Income					2.14	2.14
Dividends					(99.21)	(99.21)
Transfer of retained earning			-		-	-
Short IT Provision 21-22					-	-
Balance as at 31st March 2023	-	466.14	3,825.00	2.73	8,147.71	12,441.59

(2) Previous Reporting period

Rs. In Lakhs

	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Share Forfeiture Account	Retained Earnings	
Balance as at 1 st April 2021	-	466.14	3,725.00	2.73	9,443.34	13637.21
Total Comprehensive income for 2021-22					1,403.39	1403.39
Actuarial Gain/Loss on Defined Benefit Plan recognised in Other Comprehensive Income					(16.42)	(16.42)
Dividends					99.21	99.21
Transfer of retained earning			100.00		(100.00)	-
Short IT Provision 20-21					(45.48)	(45.48)
Balance as at 31st March 2022	-	466.14	3,825.00	2.73	10,585.62	14,879.49

Share Premium Account

Share Premium to be used in future to pay the expenses of issuing equity, such as underwriter fees or for issuing bonus shares to shareholders.

General Reserve

General Reserve are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Retained Earnings

The Balance in the Retained Earnings represents the accumulated profit after payment of dividend, transfer to General reserve and adjustment of Actuarial gains/(losses) on Defined benefit Plans.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

1 Corporate Information

Kriti Industries (India) Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 12.03.1990 and having its Registered office in Indore (MP).

The company's shares are listed in the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). KIL manufactures premium quality piping products and solution, accessories, gas pipe, telecom ducts, submersible pipes and casing pipes.

2. Statement of Compliance of Indian Accounting Standards (Ind AS)

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared and presented the financial statements for the year ended March 31, 2023, together with the comparative period information as at and for the year ended March 31, 2022, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2.1 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value:

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans - plan assets

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

The company has consistently applied the accounting policies to all periods presented in these financial statements.

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

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 addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.2. Summary of Significant Accounting Policies

2.2.1. Property, Plant and Equipment

- a) Property, Plant and Equipment (PPE) are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- c) In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

- d) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work-in-Progress.
- e) Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Each part of an item of Property, Plant & Equipment with a cost that is in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.
- f) The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset.
- g) Based on the technical evaluation, the management believes that the useful life of Dies and Moulds is 6 years.
- h) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- i) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset
- j) Gains or losses arising from derecognition of a property, plant and equipment 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 derecognized.
- k) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

2.2.2. Leases.

- a) The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.
- b) The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.
- c) For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.
- d) Lessors will continue to classify all leases under same classification principles and distinguish them between two types of leases i.e. Finance Lease and Operating Lease.

2.2.3. Intangible assets

- a) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.
- b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- c) Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

- d) 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 derecognized.
- e) The amortisation period and the amortisation method for intangible asset with a finite useful life are reviewed at each financial year end. If the expected useful of such asset is different from the previous estimates, the changes are accounted for as change in an accounting estimate.
- f) Intangible assets which are finite are amortized on a straight-line basis over their estimated useful lives. The residual value of such intangible assets is assumed to be zero. An intangible asset with an indefinite useful life is tested for impairment by comparing its recoverable amount with its carrying amount (a) annually and (b) whenever there is an indication that the intangible asset may be impaired.

2.2.4. Capital Work in Progress

- a) Expenditure incurred on assets under construction (including a project) is carries at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.
- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

2.2.5. Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

2.2.6. Finance Cost

- a) Borrowing costs include exchange differences 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 asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
- b) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- c) All other borrowing costs are expensed in the period in which they occur.

2.2.7. Inventories

- a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads, net of recoverable taxes incurred in bringing them to their respective present location and condition.
- b) Cost of Inventory of raw materials, stores and spares, packing materials, trading and other products are determined using the First-In, First-Out (FIFO) basis on moving average prices.

2.2.8. Provisions, Contingent Liabilities and Contingent Assets and Commitments

- a) 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. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.
- b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- c) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- d) Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.2.9. Employee Benefits Expense

Short Term Employee Benefits

- a. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

- b. A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

- c. The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation 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, mortality rates and future pension increases. 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.
- d. The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.
- e. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.
- f. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
- g. Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

2.2.10. Income Taxes

- a. The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

- b. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.
- c. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

Deferred tax

- d. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
- e. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.
- f. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.2.11. Foreign currencies transactions and translation

- a. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss account of the year.
- b. Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate/ forward contract booked (if any) and the resultant exchange differences are recognized in the Statement of profit and loss account.
- c. Realized gain or loss on cancellation of forward exchange contract is recognized in the Statement of Profit and Loss for the year.
- d. Gain/ Loss on exchange difference on pending forward exchange contract which are yet to be executed are measured on the basis of difference between spot rate at year end and with forward contract exchange rate (premium adjusted) of respective date through "Designated Cash Flow Hedge Reserve".

2.2.12. Revenue recognition

i. Sale of Goods

- a. Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- b. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.
- c. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- d. Revenue from operations includes sale of goods, services and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.

ii. Interest income

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

iii. Dividends

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

iv. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.

v. Government Grants

Government grants, including non- monetary grants at fair value, are recognized when there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the government grant related to asset is presented by deducting the grant in arriving at the carrying amount of the asset. (See note 45).

Significant Accounting Policies and Notes to the Accounts 31.03.2023

vi. Other Operating Income

Export incentives receivable are accounted for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

vii. Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments – initial recognition and subsequent measurement.

viii. Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the period in which related revenue is recognised.

2.2.13. Financial instruments

I. Financial Assets

a. Initial recognition and measurement

All financial assets (other than Trade Receivables) and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

b. Subsequent measurement

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost 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 are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

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 are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

c. Investment in Subsidiaries, Associates and Joint Ventures

The Company has elected to measure investment in Subsidiaries, Joint Venture and Associate at cost.

d. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

e. Impairment of financial assets

i. In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through Statement of profit and loss (FVTPL).

ii. 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)

Significant Accounting Policies and Notes to the Accounts 31.03.2023

- iii. For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analyzed.
- iv. For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II. Financial liabilities

a. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

III. Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

IV. Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for as follows:

(a) Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

(b) Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

V. Derecognition of financial instruments

Significant Accounting Policies and Notes to the Accounts 31.03.2023

The Company derecognizes 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. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment of non-financial assets - property, plant and equipment and intangible assets

- a) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- b) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- c) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.2.14. Operating Cycle

- a. The Company presents assets and liabilities in the balance sheet based on current / non-current classification based on operating cycle.

An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

- b. A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

2.2.15. Earnings Per Share

- a. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.
- b. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

2.2.16. Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.2.17. Statement of Cash Flows

a. Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b. Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard -7 'Statement of Cash Flow'.

2.3. Critical accounting Judgment and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The Management has considered the possible effect of Global Pandemic COVID-19 while preparing the financial statements.

2.3.1. Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

2.3.2. Recoverability of trade receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

2.3.3. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3.4. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

2.3.5. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.3.6 Recent pronouncements:

Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide Notification dated 23 March, 2022. Following amendments and annual improvements to Ind AS are applicable from 1 April, 2022.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

NOTE NO. 3-4 Property, Plant, Equipment and Other Intangible Assets (2022-23)

(Rs in Lakhs)

Note	Particular	Gross Block			DEPRECIATION			Net Block		
		01.04.2022	Addition	Deduction	Total	01.04.2022	For the Year	Written back	31.03.2023	31.03.2022
3	Tangible Assets									
3.1	Land	-	-	-	-	-	-	-	-	-
3.1.1	Free hold Land	326.19	-	7.83	318.36	-	-	-	318.36	326.19
3.1.2	Lease hold Land	36.66	-	-	36.66	2.91	0.49	-	33.26	33.75
3.2	Buildings	2,659.82	352.44	45.33	2,966.93	476.77	131.94	-	2,358.22	2,183.04
3.3	Plant & Machinery	10,785.69	2,541.53	195.41	13,131.81	3,067.69	724.69	-	9,339.43	7,717.99
3.4	Furniture	58.85	-	-	58.85	25.61	5.13	-	28.11	33.25
3.5	Vehicles	24.35	-	-	24.35	23.41	0.93	-	0.01	0.94
3.6	Office Equipment	171.32	31.86	-	203.18	120.66	13.27	-	69.25	50.66
3.7	Right-of-Use Asset:									
3.7.1	Office Building	324.72	-	-	324.72	89.30	32.47	-	202.95	235.43
	Total (3)	14,387.60	2,925.83	248.57	17,064.86	3,806.35	908.92	-	12,349.59	10,581.25
	Previous Year	13,073.16	1,767.64	453.21	14,387.60	3,041.21	801.60	36.45	3,806.35	-
4	Other Intangible Assets									
4.1	Other Computer Software	55.07	-	-	55.07	46.09	4.43	-	4.54	8.98
	Total (4)	55.07	-	-	55.07	46.09	4.43	-	4.54	8.98
	Previous Year	55.07	-	-	55.07	40.87	5.22	-	8.98	-
	Grand Total (3+4)	14,442.67	2,925.83	248.57	17,119.93	3,852.44	913.35	-	12,354.13	10,590.23
	Previous Year	13,128.25	1,767.64	453.21	14,442.68	3,082.08	806.82	36.45	3,852.45	-

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note-5 Investments

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
5.1 Investment in Trust Securities		
5.1.1 National Saving Certificate	0.14	0.14
5.2 Unquoted		
Non Trade Investment in equity instruments		
5.2.1 Sahkari Audhyogik Vasahat Limited (1 Share of Rs.500/-)	0.01	0.01
5.2.2 The Cosmos Co-operative Bank Ltd. (1000 Equity Shares of Rs. 100/- each)	1.00	1.00
Trade Investment in equity instruments		
5.2.3 Kriti Auto Engineering & Plastic Private Limited (100% Subsidiary) (3885000 Shares of Rs10/-each) Less:- Provision For Impairment Loss	777.00 -	777.00
Trade Investment in equity instruments		
5.2.4 FP Elite Energy Private Limited (788141 share @ RS 10 each of FP Elite energy Pvt Ltd- 34.78% Stake) (Previous Year - Nil)	78.81	-
Investment in Mutual Fund		
5.2.5 SBI Short Term debt Fund (757493.092 Units of Rs 27.06 each) (Previous Year - Nil) Nav as on 31/3/2023 Rs. 27.13 (Previous Year - Nil)	205.00	-
Total	1,061.96	778.15

Note-6 Other Financial Assets

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
6.1 Security Deposits	191.41	207.78
Total	191.41	207.78

NOTE-7 INVENTORIES

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
7.1 Raw Material	5,577.90	8,433.26
7.2 Finished Goods	9,684.28	11,660.74
7.3 Stores and Spares & others	681.53	562.42
Total	15,943.71	20,656.42

NOTE-8 TRADE RECEIVABLES

(Rs.in Lakhs)

Particular	31.03.2023	31.03.2022
8.1 Trade Receivables		
Unsecured considered good	5,343.34	3,242.58
Total	5,343.34	3,242.58
Trade receivables		
Secured, considered good - -	-	-
Unsecured, considered good	5,343.34	3,242.58
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Impairment for trade receivable	-	-
Trade Receivables - credit impaired	-	-
Current trade receivables	5,343.34	3,242.58

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account

as on 31.03.2023

Rs. In Lakhs

Particular	Outstanding for the following periods from due date of payment as on 31.3.2023						Total
	Not Due	Less Than 6 month	6 month-1 years	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables- considered good	3,110.38	1,098.51	86.53	69.25	193.19	628.40	5,186.26
ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables- considered good	-	-	-	-	-	157.08	157.08
v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-

Rs. In Lakhs

Particular	Outstanding for the following periods from due date of payment as on 31.3.2022						Total
	Not Due	Less Than 6 month	6 month-1 years	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables- considered good	2,152.71	257.29	124.07	129.62	111.75	245.35	3,020.79
ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables- considered good	-	-	-	-	-	221.79	221.79
v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

Note-9 Cash and Cash Equivalents

Particulars	2022-23	2021-2022
9.1 Balances with Banks	1.01	0.11
9.2 Cash on hand	1.09	0.62
Total	2.10	0.73

Note-10 Other Bank Balances

Particulars	2022-23	2021-2022
10.1 Unpaid dividend	38.06	13.34
10.2 Fixed deposit with banks against margin money (Maturity less than 12 months)	1,241.78	1,334.29
Total	1,279.84	1,347.63

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note-11 Loans

Particulars	2022-23	2021-2022
11.1 Unsecured, Considered good	154.72	224.44
Advances recoverable in cash or kind or for value to be received		
Total	154.72	224.44

Note No -12 Income Tax Assets (Net)

Particulars	2022-23	2021-2022
12.1 Advance Tax & TDS (Net)	205.76	105.81
Total	205.76	105.81

Note-13 Other Current Assets

Particulars	2022-23	2021-2022
13.1 Sundry Deposits	51.42	51.42
13.2 Other Current Assets (GST,Excise etc.)	1,413.51	961.63
13.3 Accrued Interest/ Income	1,391.94	31.46
13.4 Advance to Vendor/creditors (Vendor Debit Balances)	778.59	2,038.69
Total	3,635.46	3,083.19

Note-13(A) Non Current Assets Held For Sale

Particulars	2022-23	2021-2022
13a.i.Non current assets held for sale	-	24.79

Note No -14 Equity Share Capital

Particulars	2022-23	2021-2022
14.1 AUTHORIZED		
14.1.1 80000000 Equity Shares of Re. 1/- each	800.00	800.00
14.1.2 20000000 Optional convertible Preference Shares of Rs. 10/- each	200.00	200.00
14.2 ISSUED, SUBSCRIBED AND PAID UP		
14.2.1 49603520 equity shares of Rs 1/- each fully paid up, which are issued as fully paid up Shares on 27.01.2010 on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench		
14.2.2 Reconciliation of shares		
14.2.2.1 Opening Balance of 49603520 shares of Rs. 1/- each Total	496.04	496.04
14.2.2.2 Issued during the year	-	-
14.2.2.3 Closing Balance 49603520 shares of Rs. 1/- each	496.04	496.04

The company has issued only one class of shares referred to as equity shares having a par value of Rs.1 each. Holder of the equity share as referred in the records of the company as of date of the shareholder's meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder's meeting. The company declares and pays dividends in Indian rupees. In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.

	496.04	496.04
14.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE		
14.3.1 SAKAM TRADING PRIVATE LIMITED		
No. of Shares	2,58,43,673	2,58,43,673
% of Shares	52.10%	52.10%
14.3.2 CHETAK BUILDERS PRIVATE LIMITED		
No. of Shares	46,32,029	46,32,029
% of Shares	9.34%	9.34%

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account

as on 31.03.2023

Note No -14 Equity Share Capital (Contd.)

14.5 Promoter's Share Holding

Name of promoter	As at 31 March 2023			As at 31 March 2022		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1) SHIV SINGH MEHTA	20,67,299	4.17	0.00	20,67,299	4.17	0.00
2) PURNIMA MEHTA	2,97,587	0.60	0.00	2,97,587	0.60	0.00
3) DEVKI MEHTA	38,736	0.08	0.00	38,736	0.08	0.01
4) SAURABH MEHTA	30,423	0.06	0.00	30,423	0.06	0.00
5) SAKAM TRADING PRIVATE LIMITED	2,58,43,673	52.10	0.00	2,58,43,673	52.10	0.00
6) CHETAK BUILDERS PRIVATE LIMITED	46,32,029	9.34	0.00	46,32,029	9.34	0.00
Total	3,29,09,747	66.35	0.00	3,29,09,747	66.35	0.01

Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Services Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipes Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f. 27.02.12 of Kriti Industries (I) Ltd.

Note No -15 Other Equity

Particulars	2022-23	2021-2022
15.1 RESERVES		
15.1.1 General Reserve		
15.1.1 Opening Balance	3,825.00	3,725.00
15.1.2 Add: Transfer from P&L	-	100.00
15.1.3 Add: Transfer from Contingency Reserves	-	-
15.1.4 Closing Balance	3,825.00	3,825.00
15.2 SHARE PREMIUM ACCOUNT		
15.2.1 Opening Balance	466.14	466.14
15.2.2 Add: Transfer from P&L	-	-
15.2.3 Closing Balance	466.14	466.14
15.3 SHARE FOREFEITURE ACCOUNT		
15.3.1 Opening Balance	2.73	2.73
15.3.2 Add: Transfer from P&L	-	-
15.3.3 Closing Balance	2.73	2.73
15.4 SURPLUS		
Statement of Profit & Loss		
15.4.1 Opening Balance	10,577.47	9,418.78
15.4.2 Add Profit & Loss during the period	(2,340.84)	1,403.38
	8,236.63	10,822.16
Less:		
15.4.3 Final Dividend @ Rs.0.20 per share (PY Rs 0.15 per share)	99.21	99.21
15.4.4 Transferred to General Reserve	-	100.00
15.4.5 Short IT Provision 21-22	-	45.48
Balance in Surplus	8,137.43	10,577.47
15.5 OTHER COMPREHENSIVE INCOME (OCI)		
15.5.1 Opening Balance	8.15	24.57
15.5.2 Movement in OCI during the year	2.14	(16.42)
15.5.3 Closing Balance	10.29	8.15
Total	12,441.59	14,879.49

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -15 Other Equity (Contd.)

Note No -16 Financial Liabilities

Particulars	2022-23	2021-2022
16.1 TERM LOAN		
(Installment due within 12 months shown in Current Liabilities)		
16.1.1 SECURED		
16.1.1.1 From Banks		
Term of Repayment of Long Term Borrowings		
HDFC BANK	91.67	458.33
HDFC BANK GECL	153.33	306.64
TATA CAPITAL	1,200.00	-
SBI GECL	79.83	195.52
Total	1,524.83	960.49
(Above loans are secured by First charge/ Mortgage on fixed assets of the company and personal guarantee of Managing Director)		
16.1.2 UNSECURED		
16.1.2.1 Loans & Advances from Related parties	1,800.00	1,000.00
(Long Term Deposit received from Kriti Nutrients Limited & Kriti Auto Engineering Private Limited)		
Total	3,324.83	1,960.49
16 i) Lease Liabilities	266.77	287.60

Note No-17 Deferred Tax Liability Net

Particulars	2022-23	2021-2022
17.1 Deferred Tax Liability (Net)	286.82	1,016.40
On account of tax effects on timing difference arising due to difference in Depreciation		
Total	286.82	1,016.40

Note No -18 Other Non Current Liabilities

Particulars	2022-23	2021-2022
18.1 Other Loans and advances	430.08	318.27
(Security Deposit received from dealers)		
Total	430.08	318.27

Note No -19 Borrowings

Particulars	2022-23	2021-2022
19. 1 Loans repayable on Demand		
19.1.1 SECURED		
From banks	5,378.39	2,654.70
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, sundry debtors, export bills, receivables and second charge on fixed assets of the company and personal gurantee of Managing director)		
21.1 Current maturities of Long term debt	926.67	626.72

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -19 Borrowings *(Contd.)*

Particulars	2022-23	2021-2022
19.1.2 UNSECURED		
19.1.2.1 From banks	-	1,500.00
19.1.2.2 From others	-	-
19.1.2.3 Loans & Advances from Related parties	2,889.50	3,657.50
Total	9,194.56	8,438.92

Note No - 20 Trade Payables

Particulars	2022-23	2021-2022
20.1 Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	359.62	260.27
(b) Total outstanding dues of creditors other than micro and small enterprises	12,561.47	12,463.35
Total	12,921.09	12,723.62

Particular	Outstanding for the following periods from due date of payment as on 31.3.2023					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
(i) MSME	359.62	-	-	-	-	359.62
(ii) Others	10,246.33	2,282.64	4.30	0.64	27.56	12,561.47
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-	-

Particular	Outstanding for the following periods from due date of payment as on 31.3.2022					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
(i) MSME	260.27	-	-	-	-	260.27
(ii) Others	11,178.99	1,257.35	0.66	3.94	22.43	12,463.35
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-	-

Note No -21 Others

Particulars	2022-23	2021-2022
21.1 Unpaid dividends	15.12	13.34
Total	15.12	13.34

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -22 Other Current Liabilities

Particulars	2022-23	2021-2022
22.1 Other Current Liabilities (Outstanding Expenses, Advance from Customer etc.)	1,854.78	795.64
22.2 Statutory Liabilities	99.29	77.27
22.3 Employee Payable	276.38	244.68
Total	2,230.45	1,117.59

Note No -23 Provisions

Particulars	2022-23	2021-2022
23.1 Provision for Employees Benefits	137.46	122.31
23.2 Provision for Doubtful debts	61.13	61.13
	198.59	183.44
23.3 Provision for Employees Benefits (Long Term)	55.24	22.97
Total	253.83	206.41

Note No -24(A) Other Advances Received Against Assets Held For Sale

Particulars	2022-23	2021-2022
24.1 Advance received from sales of assets	-	175.00

Note-25 Revenue From Operations

Particulars	2022-23	2021-2022
25.1 Sale of Products	73,207.21	54,442.44
25.2 Other operating revenues (Penalty , Secondary Transportation etc.)	40.18	31.52
Total	73,247.39	54,473.96

Note-26 Other Income

Particulars	2022-23	2021-2022
26.1 Interest Income	110.60	98.37
26.2 Net Gain on foreign currency transactions	4.35	-
26.3 Profit on Sale of Fixed asset	192.38	-
26.4 Other Non-operating Income (Incentive, Discounts etc.)	45.74	36.51
Total	353.07	134.88

Note-27 Employee Benefits Expenses

Particulars	2022-23	2021-2022
27.1 Salaries & Wages	2,453.31	1,869.74
27.2 Contribution to provident and other fund	145.56	135.25
27.3 Staff Welfare Expenses	199.55	144.07
27.4 Director Remuneration	120.00	161.93
27.5 P.F on Director Remuneration	12.96	12.96
Total	2,931.38	2,323.95

Note-28 Financial Cost

Particulars	2022-23	2021-2022
28.1 Interest Expenses	1,410.83	1,149.22
28.2 Other Borrowing Cost (LC/BG Charges, Bank Commission etc.)	324.66	285.92
Total	1,735.49	1,435.14

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note-29 Other Expenses

Particulars	2022-23	2021-2022
(I)		
29.1 Stores and Spares Consumed	351.85	282.52
29.2 Power Charges	2,163.53	1,423.44
29.3 Freight & Cartage	890.84	508.16
29.4 Repairs & Maintenance	172.24	98.49
29.5 Insurance Charges	90.80	76.31
29.6 Water Charges	44.72	35.65
29.7 Loss on Sale of Fixed asset	-	52.30
29.8 Job Work Charges	156.62	92.83
29.9 Miscellaneous Manufacturing Expenses (Testing Charges, Security Charges etc.)	133.79	96.06
Sub Total (I)	4,004.39	2,665.76
(II)		
29.10 Stationery & Printing	8.74	6.51
29.11 Computer Expense	33.79	16.43
29.12 Rent, Rates and Taxes	38.87	35.59
29.13 Postage, Telegram and Telephones	18.39	16.26
29.14 Auditor's Fees	4.75	4.00
29.15 Conveyance Expenses	55.09	54.28
29.16 Legal & Professional Charges	340.94	190.66
29.17 Miscellaneous Expenses (House Keeping, Repair & Maintenance- Other etc.)	57.81	7.79
29.18 Director's Meeting Fee	4.92	3.72
29.19 Net loss on foreign currency transactions	-	39.77
29.20 Corporate Social Responsibility	63.07	57.18
Sub Total (II)	626.37	432.19
(III)		
29.21 Advertisement & Publicity	3.09	2.97
29.22 Sales Promotion Expenses	333.00	204.19
29.23 Market Development Expenses	31.45	-
29.24 Brokerage & Commission	20.82	16.89
29.25 Service Charges	4.98	-
29.26 Freight Outward	700.08	714.16
29.27 Statutory Levies	0.87	17.53
29.28 Travelling Expenses	503.59	234.73
29.29 Expected credit Loss	-	3.53
29.30 Bad Debts	-	18.63
Sub Total (III)	1,597.88	1,212.63
TOTAL (I+II+III)	6,228.64	4,310.58

30. In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

31. Contingent liabilities

- Estimated amount of contracts remaining to be executed on Capital Account Rs.163.00 Lakhs net of advance given (Previous Year Rs. 804.70Lakhs).
- Bank has given guarantee on behalf of the Company to various parties to the extent of Rs. 1226.24 Lakhs (Previous Year Rs. 1612.61Lakhs.)

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

31. Contingent liabilities (Contd.)

c. Claims Against company not acknowledge as debt by the company are as under:

		Rs in Lakhs			
S. No.	Particulars	Amount of Demand as on 31.03.2023	Amount Deposited / Relief against demand till 31.03.2023	Amount of Demand as on 31.03.2022	Amount Deposited against demand till 31.03.2022
1	Demand for Excise duty Act various years pending appeals at various levels	150.42	11.84	150.42	11.84
2	Demand for Entry Tax Act various years pending appeals at various levels	129.73	116.18	129.73	116.18
3	Demand for Central Sales Tax Act various years pending appeals at various levels	114.38	17.39	114.38	17.39
4	Demand for Income Tax Act various years pending appeals at various levels	0.94	0.00	0.94	0.00

32. Remuneration Paid/Payable to Managing Director / Executive Director

		(Rs. In Lakhs)	
Paid / Payable	Current Year	Previous year	
Remuneration	132.96	132.96	
Commission	0.00	41.93	
TOTAL	132.96	174.89	

33. Unpaid overdue amount due on March 31, 2023 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to Rs. Nil.

This disclosure is on the basis of the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 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	2022-23	2021-2022
a) The principal amount remaining unpaid to any supplier at the end of the year	359.62	260.27
b) Interest due remaining unpaid to any supplier at the end of the year	0	0
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	0	0
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0	0
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	0	0
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	0	0

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

34. The amount of Foreign Exchange gain/ (loss) included in the profit & loss account is Rs.4.35 Lakhs (Previous Year gain/ (loss) Rs. (39.77) Lakhs).

NOTE NO - 35 Corporate Social Responsibility (as per amendment)

(Amount in Lakhs)

(i) Amount required to be spent by the company during the year	63.07	57.18
(ii) Amount spent during the year	5.30	18.03
(iii) Shortfall at the end of the year	57.77	39.15
(iv) Total of previous years shortfall	22.93	NIL
(v) Reason for shortfall	The Company endeavored to ensure full utilization of the allocated CSR budget. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the amount on CSR activities in accordance with the statutory requirements. Shortfall is on account of On-going projects.	The Company endeavored to ensure full utilization of the allocated CSR budget. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the amount on CSR activities in accordance with the statutory requirements.
(vi) nature of CSR activities	Promoting Education etc., Promoting Health Care and making available safe drinking water.	Promoting Education etc., Promoting HealthCare(including COVID-19relief),and Human and Environmental Development
(vii) details of related party transaction	Rs. 13.00 Lakhs spent on account of On-going project (2021-22) through Sakam Charitable Trust	
(viii) Any amount paid under contractual agreement		

35. Employee Benefit Obligations

The disclosure required as per Indian Accounting Standard (IndAS) 19 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014., and based on the report generated by the actuarial valuer.

The Company has schemes (funded) for payment of gratuity to all eligible employees calculated at specified number of days of last drawn salary depending upon the tenure of service for each year of completed service subject to minimum service of five years payable at the time of separation upon superannuation or on exit otherwise. These defined benefit gratuity plans are governed by Payment of Gratuity Act, 1972

The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC, which is a defined benefit plan

(a) Funded status of the plan

Particulars	31.03.2023	31.03.2022
Present value of unfunded obligations	-	-
Present value of funded obligations	307.70	266.94
Fair value of plan assets	-205.57	-204.98
Net Defined Benefit Liability/(Assets)	102.13	61.96

(b) Profit and loss account for the period

Particulars	31.03.2023	31.03.2022
Service cost:		
Current service cost	40.16	30.24
Net interest cost	2.91	0.07
Expected Return on Plan Assets	-	0
Actuarial Gain Loss	-	0
Total included in 'Employee Benefit Expenses/(Income)	43.07	30.31

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

35. Employee Benefit Obligations (Contd.)

(c) Other Comprehensive Income for the period

Particulars	31.03.2023	31.03.2022
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	-11.16	-9.22
Due to experience adjustments	7.05	30.12
Return on plan assets excluding amounts included in interest income	1.97	-4.48
Amounts recognized in Other Comprehensive (Income) / Expense	-2.14	16.42

(d) Reconciliation of defined benefit obligation

Particulars	31.03.2023	31.03.2022
Opening Defined Benefit Obligation	266.94	227.72
Current service cost	40.17	30.24
Interest cost	17.39	13.6
Components of actuarial gain/losses on obligations:		
Due to financial assumption	-11.16	-9.22
Due to experience adjustments	7.05	30.12
Benefit paid from fund	-12.69	-25.51
Closing Defined Benefit Obligation	307.70	266.94

(e) Reconciliation of plan assets

Particulars	31.03.2023	31.03.2022
Opening value of plan assets	204.98	211.71
Interest Income	14.48	13.53
Return on plan assets excluding amounts included in interest income	-1.97	4.48
Contributions by Employer	0.77	0.77
Benefits paid	-12.69	-25.51
Closing value of plan assets	205.57	204.98

(f) Reconciliation of asset Ceiling

Particulars	31.03.2023	31.03.2022
Opening value of asset ceiling	0	0
Interest on opening value of asset ceiling	0	0
Loss/(gain) on assets due to surplus/deficit	0	0
Closing value of plan asset ceiling	0	0

(g) Composition of the plan assets

Particulars	31.03.2023	31.03.2022
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	100%	100%

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

35. Employee Benefit Obligations (Contd.)

(h) Reconciliation of Net Defined Benefit Liability/(Assets)

Particulars	31.03.2023	31.03.2022
Net opening provision in books of accounts	61.96	16.01
Transfer in/(out) obligation	-	0
Transfer (in)/out plan assets	-	0
Employee Benefit Expense as per (b)	43.08	30.31
Amounts recognized in Other Comprehensive (Income) / Expense	-2.14	16.42
	102.90	62.73
Benefits paid by the Company	0	0
Contributions to plan assets	-0.77	-0.77
Closing provision in books of accounts	102.13	61.96

(i) Principle actuarial assumptions

Particulars	31.03.2023	31.03.2022
Discount Rate	7.40% p.a.	6.85% p.a.
Salary Growth Rate	7.00% p.a.	7.00% p.a.
Withdrawal Rates	10.00% p.a at all ages	10.00% p.a at all ages
Rate of Return on Plan Assets	7.40% p.a.	6.85% p.a.

(j) Sensitivity to key assumptions

Particulars	31.03.2023	31.03.2022
Discount rate Sensitivity		
Increase by 0.5%	298.15	258.25
(% change)	-3.10%	-3.25%
Decrease by 0.5%	317.82	276.16
(% change)	3.29%	3.45%
Salary growth rate Sensitivity		
Increase by 0.5%	317.29	275.66
(% change)	3.12%	3.27%
Decrease by 0.5%	298.49	258.52
(% change)	2.99%	-3.15%
Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	307.76	266.3
(% change)	0.02%	-0.24%
W.R. x 90%	307.67	267.55
(% change)	-0.01%	0.23%

(j) A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. Discount rate Sensitivity Salary growth rate Sensitivity Withdrawal rate (W.R.) Sensitivity The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any. Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

(k) A Description of any Asset-Liability Matching Strategies.

It was informed by the company that Gratuity Benefits liabilities of the company are funded. There are no minimum funding requirements for a Gratuity Benefits plan and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

35. Employee Benefit Obligations (Contd.)

of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

(I) The Effect of the Plan on the Entity's Future Cash Flows

The Company has purchased an Insurance policy to settle the Gratuity Payment to their employees. Company may do the contribution every years based on the funding valuation carry out by insurance company based on the latest data provided by Company

36. Deferred Tax and Current Tax calculations

36.1 Deferred Tax Liability / (Assets)

(Rs in Lakhs)

Sr. No.	Particulars	Current Year	Previous Year
a.	Deferred Tax (Assets) / Liability (NET) for the year	(729.58)	11.11
b.	Opening Balance of Deferred Tax Liability	1016.40	1005.29
c.	Closing Balance of Deferred Tax Liability	286.82	1016.40

36.2 Tax Expenses

a. Income tax expenses recognized in Statement of Profit & Loss

(Rs in Lakhs)

Particulars	Current Year	Previous Year
Current Tax Expenses	0.00	470.13
Tax Adjustment for Earlier Years	0.00	15.54
	0.00	485.67

b. Reconciliation of estimated income tax to income tax expense

(Rs in Lakhs)

Particulars	Current Year	Previous Year
Profit Before Tax as per P&L	(3070.42)	1783.62
Expected income tax expense at statutory income tax rate of 25.168 % (Previous year: 25.168 %)	0.00	448.90
Tax Effect of adjustments to reconcile Income Tax Expenses reported		
Income Exempt from Tax	0.00	0.00
Long Term Capital Gains / Losses	44.02	0.00
Expenses not deductible in determining Taxable Profit	269.20	37.97
Expenses deducted in determining Taxable Profit	268.72	16.74
Total Adjustment	44.50	21.22
Income Tax Expenses recognized in the Statement of Profit and Loss	0.00	470.13

37. Since the company has presented Consolidated Financial Statements, it is not required to present segment information in the standalone financial statements as per Ind AS 108- Operating Segments.

38. Earning Per Share

The Company's share capital consists of equity share. The basic and diluted earnings per share is calculated as under:

Sr. No.	Particulars	Current Year	Previous Year
1.	Number of Shares	49603520	49603520
2.	Profit contribution for Basic EPS (Rs in Lakhs)	(2340.84)	1403.39
3.	Basic Earning Per Share	(4.72)	2.83
4.	Diluted Earning Per Share	(4.72)	2.83
5.	Nominal Value Per Share	1.00	1.00

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

39. In accordance with the Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014.The names of the related parties and the relevant disclosure is as under:-

(a) Name of the related party and description of relationship:

i. Key Management Personnel:

Shri Shiv Singh Mehta, Chairman & Managing Director
 Smt. Purnima Mehta, Executive Director
 Shri Manoj Fadnis, Independent Director
 Shri Chandrasekharan Bhaskar, Independent Director
 Shri Rakesh Kalra, Independent Director
 Shri Hitendra Mehta, Independent Director (appointed w.e.f. 13th August, 2021)
 Smt. Vinita Puntambekar, Chief Financial Officer (appointed w.e.f. 1st February, 2022 and ceased w.e.f. 3rd February, 2023)
 Mr. Rajesh Sisodia, Chief Financial Officer (appointed w.e.f. 3rd February, 2023)
 Ms. Apeksha Baisakhiya, Company Secretary (Ceased w.e.f. 4th April, 2022)
 Mr. Pankaj Baheti, Company Secretary (appointed w.e.f. 4th April, 2022 and ceased w.e.f. 22nd March, 2023)
 Mr. Tanuj Sethi, Company Secretary (appointed w.e.f. 22nd March, 2023)

ii. Relatives of Key Management Personnel

Shri Saurabh Singh Mehta (Son of Chairman & Managing Director / Executive Director)
 Smt. Devki Hirawat (Daughter of Chairman & Managing Director/ Executive Director)
 Smt. Nidhi Mehta (Daughter-in-law of Chairman & Managing Director/Executive Director)

iii. Subsidiary Company

1) Kriti Auto & Engineering Plastics Pvt. Ltd (Wholly owned Subsidiary Company)

iv. Companies/entities under the control of Key Management Personnel

1) Sakam Trading Pvt. Ltd. (Holding Company)
 2) Kriti Nutrients Ltd. (Fellow Subsidiary)
 3) Chetak Builders Pvt. Ltd. (Fellow Subsidiary)
 4) Sakam Charitable Trust, Indore

v.) Associate Company

1) F.P.Elite Energy Private Limited (wef 7th October 2022)

The following transaction were carried out with the related parties in the ordinary course of business

						(Rs. In Lakhs)
Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel	Associate Company
1.	DEPB License purchased	NIL (NIL)	NIL (NIL)	NIL (NIL)	326.31 (67.69)	NIL (NIL)
2	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	0.36 (4.41)	NIL (NIL)
3	Sale of Capital Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
4	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	25.93 (NIL)	NIL (NIL)

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

39. (Contd.)

(Rs. In Lakhs)						
Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel	Associate Company
5	Purchase of Capital Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	1.85 (NIL)	NIL (NIL)
6	Remuneration	NIL (NIL)	185.16 (209.36)	7.02 (6.22)	NIL (NIL)	NIL (NIL)
7	Rent Paid	NIL (NIL)	0.26 (0.24)	NIL (NIL)	NIL (NIL)	NIL (NIL)
8	Unsecured Loan					
	Repaid Back	NIL (NIL)	80 (NIL)	27 (NIL)	6943 (NIL)	NIL (NIL)
	Taken	NIL (NIL)	42 (496)	NIL (38)	7040 (5550)	NIL (NIL)
	Closing Balances	800 (800)	1238 (1276)	154.50 (181.50)	2497 (2400)	NIL (NIL)
9	Interest Received	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
10	Interest Given	61.58 (24.85)	100.72 (80.02)	16.18 (12.59)	172.35 (114.76)	NIL (NIL)

*The figures mentioned in the brackets are previous year figures.

*The related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

40. Auditor's Remuneration

		(Rs in Lakhs)	
Sr. No.	Particulars	31.03.2023	31.03.2022
a.	Statutory Audit/ Tax Audit Fees	4.75	4.00
b.	Taxation & Other matters including Legal & Professional Expenses.	0.62	0.60
	Total	5.37	4.60

*Figures are exclusive of taxes

41. A. Capital Management

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximize the Share Holder Value.

The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and Cash Equivalents.

(Rs in Lakhs)		
Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Interest Bearing Loans and Borrowings	11592.72	9772.68
Current maturities of Long Term debts	926.67	626.72
Gross Debt	12519.39	10399.40
Less: Cash and Cash Equivalents	2.10	0.73
Net Debt (A)	12517.29	10398.67
Total Equity (as per Balance Sheet) (B)	12937.63	15375.54
Net Gearing (A/B)	0.97	0.68

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account

as on 31.03.2023

41. (Contd.)

B. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i. Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from change of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans & borrowings and foreign currency payables.

Company's Term Loans & Working Capital interest rates are linked to 1 year MCLR rate, reset annually. Short Term Borrowings as and when taken are governed by prevailing rates at the time of disbursement.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31st March, 2023 would have been decreased/ increased by Rs.156.49 Lakhs.

The Company is exposed to risk with regard to foreign currency payables.

The Company is affected by the price volatility of Polymer prices. The Company enters into purchase contracts on a short term and forward foreign exchange contracts (matching the purchase contracts) are entered into to minimize price fluctuations.

ii. Credit Risk

Is the risk that a counter party will default on its contractual obligations resulting in a financial loss to the Company. It arises from cash and cash equivalents as well as credit exposure to customers.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

Company's marketing policies & credit period is determined on the basis of segments sales history and credit worthiness of the customers. The sales affected through dealer network is normally 7-10 days credit period & in institutional sales some customers open Letters of Credit and some large corporate enjoys the credit facilities ranging 30-90 days.

iii. Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has a system of forecasting next month cash inflow and outflow and all liquidity requirements are planned.

All Long term borrowings are for a fixed tenor and generally these cannot be foreclosed.

The Company has access to various source of Short term funding and debit maturing within 12 months can be rolled over with existing lenders/new lenders, or repaid based on short term requirements. Trade and other payables are plugged as per credit terms and paid accordingly.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

42. Financial Ratios

Particulars	2022-23	2021-2022	% Variance
a) Current Ratio (Current assets / Current Liabilities)	1.08	1.28	-15%
b) Debt to Equity⁽¹⁾ (Total Debt / Shareholders Equity)	0.97	0.68	43%
c) Debt Service Coverage ratio⁽²⁾ (Profit after tax+ Depreciation+ Finance Cost +loss on sale of fixed asset/(interest and lease payment+ Term Loan principal repayment)	0.05	1.71	-97%
d) Return on Equity⁽³⁾ (PAT / Average Shareholders Equity)	-17%	10%	-274%
e) Inventory Turnover ratio⁽⁴⁾ (COGS / Average Inventory)	3.96	2.70	47%
f) Trade receivable Turnover ratio (Revenue From Operations / Average Trade Receivable)	17.06	15.58	10%
g) Trade payable Turnover ratio (Raw material + Other expenses / Average Trade payable)	5.52	4.50	23%
h) Net capital turnover ratio⁽⁵⁾ (Revenue from operation/working capital)	36.53	8.81	315%
i) Return on Sales⁽⁶⁾ (PAT / Sales)	-3.20%	2.58%	-224%
j) Return on Capital Employed (ROCE)⁽⁷⁾ (EBIDT / E.Capital + R & Surplus + Long term Liabilities)	-2.44%	21.21%	-111%
k) Return on Investment⁽⁸⁾	-5.59%	3.37%	-266%

1. Due to reduction in Other Equity because of Loss in Current Financial Year
2. Due to Loss in Current Financial Year
3. Loss in Current Financial Year vis a vis Profit in Previous financial year.
4. Increase in Ratio due to Increase in Turnover
5. Due to increase in Turnover.
6. Due to Loss in Current Financial Year
7. Due to Loss in Current Financial Year
8. Due to Loss in Current Financial Year

43. Government Grants

Madhya Pradesh Industrial Development Corporation, a Government of Madhya Pradesh Undertaking, has approved a sum of Rs 19.15 Crores (Rupees Nineteen Crores and Fifteen Lakhs only) as Investment Promotion Assistance out of the eligible investment of Rs 49.02 Crores (Rupees Forty Nine Crores and Two Lakhs only). The total assistance is to be spread over a period of seven years, subject to compliance with the terms and conditions. Out of the above sum of Rs 19.15 Crores, the State Level Empowered Committee (SLEC) has sanctioned a sum of Rs 2.41 Crores (Rupees Two Crores Forty One Lakhs Only) [previous year Rs 3.33 Crores] as Investment Promotion Assistance (IPA) under the Investment Promotion Assistance (IPA) Scheme of Government of Madhya Pradesh. The same has been reduced from the carrying cost of the eligible assets and such reduced cost of the assets are depreciated over their useful lives.

44. The Board of Directors have not recommended any dividend towards fully paid up equity share of Rs.1/ each for the financial year 2022-23.
45. The company has purchased 788141 shares of Rs 10 each (34.78% stake) for Rs 78,81,410 of FP Elite Energy Private Limited during this year. The company has recognized its share in the profit /loss of Associate Company as " Share in Net Profit /(Loss) of Associate" in consolidated Financial statements.

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

46. A fire broke out at the Pithampur (M.P.) Plant, on 28th April, 2022. Due to robust safety measures adopted by the Company, the situation was brought under control without any casualties, but stock and other assets valued at Rs 19.04 crores were damaged. These items were adequately insured and the Company has filed necessary insurance claim which is under process, deduction (if any) by Insurance company at the time of settlement of claim shall be Accounted for in the year of settlement.

47. Other Disclosures

- i. No proceedings have been initiated or pending against the company for holding any benami property under the
- ii. Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder
- iii. The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- iv. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956
- v. The Company has complied the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- vi. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the current as well as the previous year.
- vii. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- viii. 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: (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- ix. The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- x. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year as well as in the previous financial year.
- xi. The Company has not made any contribution to any political party during the current financial year as well as in the previous financial year.
- xii. The Company does not have any benami property as defined under Benami Transaction (Prohibition) Act 1988.
- xiii. All the immovable property held by the company are in the name of the company.

48. Approval of Financial Statements

The financial statements are approved by the Board of Directors in their meeting held on 25.05.2023.

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

For and on behalf of the Board of Directors

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

M.No. A69680

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May'2023

Independent auditor's report

To,
The Members,
Kriti Industries (India) Limited

Report on the Audit of the Consolidated Financial Statements:

Opinion:

We have audited the accompanying consolidated financial statements of **KRITI INDUSTRIES (INDIA) LIMITED** ("the Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group") and its associate, which comprises the Consolidated Balance Sheet as at **March 31, 2023**, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of management certified separate financial statements/ financial information of such associate as were audited by other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 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 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2023, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the Consolidated financial statements 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 Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated 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 audit evidence obtained by us along with consideration of separate financial statements/ financial information certified by the management of the associate, referred to in "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion on our consolidated financial statements.

Related to Going Concern (Emphasis of Matter):

We draw attention to Note No. 37 to the consolidated financial statements which indicates that the wholly owned Subsidiary of the Group [**Kriti Auto & Engineering Plastics Private Limited**] has discontinued its operations. As a result of COVID-19 pandemic, the subsidiary was not having sustainable business, hence, it has sold off substantial portion of its assets. Therefore, the Financial Statements of the subsidiary have not been prepared on going concern basis. Our opinion is not modified in respect of this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1.	Evaluation of Litigations and Tax Positions [Note No.31(c) of the Consolidated Financial Statements read with Note No. 2.2.10 to the standalone financial statements of the Holding Company]: The Group's operations are subject to periodic challenges by local tax authorities on a range of tax matters arising in the normal course of business including direct	Our audit approach involved: - a) Obtaining an understanding of the current status of the key tax litigations/ tax assessments; b) Evaluating the Group's assessment of the possible outcome of tax litigations, potential tax exposures and related disclosures in the standalone financial statements; c) Examining communication received from various Tax Authorities/Judicial forums and consultations carried out by the Group including with external tax experts for key tax litigations and follow up action thereon;

S.No.	Key Audit Matter	Auditor's Response
	tax and indirect tax matters. Estimating the income tax expense also requires the Group to determine the probability of tax authorities accepting a particular tax treatment for potential tax exposures. These involve significant judgment by the Group to determine the possible outcome of the tax litigations and potential tax exposures, consequently having an impact on related accounting and disclosures in the consolidated financial statements.	<p>d) Evaluating the status of the recent tax assessments / inquiries, results of previous tax assessments, legal precedence / judicial rulings and changes in the tax environment. This is performed to assess and challenge the Group's estimate of the possible outcome of key tax litigations;</p> <p>e) Evaluating the merit of the subject matter under consideration with reference to available independent legal / tax advice; and</p> <p>f) Review and analysis of evaluation of the contentions of the Group through discussions, collection of details of the subject matter under consideration and the likely outcome.</p>
	We determined the above areas as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters.	

Information Other than the Consolidated Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information ("the Other Information"), but does not include the consolidated financial statements and our auditor's report thereon.

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and its associate are responsible for the maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates is responsible for assessing each company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis for accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 the users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company, its subsidiary and its associate 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 ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated 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 of the Holding company and such other entities included in consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements also include the Group's share of net loss after tax (net) of Rs. 0.25 Lacs for the year ended 31 March 2023, in respect of one associate, whose financial statements / financial information have not been audited either by us or by the other auditors. These unaudited financial statements / financial information has been furnished to us by the Management of the associate and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the unaudited financial statements / financial information certified by the management of the associate furnished to us. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements / financial information certified by the Management of the associate furnished to us.

Report on Other Legal and Regulatory Requirements:

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) (A) As required by Section 143 (3) of the Act, based on our audit and on the consideration of financial statements / financial information certified by the Management of the associate furnished to us, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated 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 the written representations received from the directors of the Holding Company and its Subsidiary as on 31st March, 2023 taken on record by the respective Board of Directors of the Company and its subsidiary and based on the consideration of financial statements / financial information certified by the Management of the associate furnished to us, none of the directors of the companies included in the Group and its associate is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company, its subsidiary company and its associate and the operating effectiveness of such controls, refer to our separate report in "Annexure – B" which is based on the auditor's report of the Holding Company and its subsidiary and its associate company. Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of those companies, for reasons stated therein.
- (B) 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 and based on the consideration of financial statements / financial information certified by the Management of the associate as mentioned in "Other Matters" paragraph:
- a) The Consolidated financial statements has disclosed the impact of pending litigations on the consolidated financial position of the Group and its associate - Refer Note 31(c) to the consolidated Ind AS financial statements.
- b) The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There was no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and there was no amount required to be transferred by the subsidiary and its associate during the year ended 31st March 2023.
- d) (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40 (vi) 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 Holding Company or its subsidiary company or its associate 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the by the Holding Company or its subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 40 (vii) to the accounts, no funds have been received by the by the Holding Company or its subsidiary company or its associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the by the Holding Company or its subsidiary 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.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The final dividend paid by the Holding Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in Note 44 to the Standalone financial statements of the Holding Company of the Group, the Board

of Directors of the Holding Company have not proposed any final dividend for the current year.

- f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts 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.

- (C) 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:

In our opinion and to the best of our information and according to the explanations given to us and based

on the consideration of financial statements / financial information certified by the Management of the associate furnished to us, the remuneration paid by the Group and is associate to its directors during the year is in accordance with the provisions of section 197 of the Act.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No.: 002150C

CA. PUNEET GUPTA

Partner

Membership No.: 413168

UDIN : 23413168BGYNBS8931

Place : Indore

Date : 25th May 2023

“Annexure A” to the Auditor’s Report

The Annexure referred to in paragraph 1 under “Report on other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date on the consolidated Ind AS financial statements to the members of Kriti Industries (India) Limited for the year ended 31st March 2023.

(xxi) There has been no qualifications or adverse remarks in the Companies (Auditor’s Report) Order, 2020 reports of the companies included in the Consolidated Financial Statements.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No.: 002150C

CA. PUNEET GUPTA

Partner

Membership No.: 413168

UDIN : 23413168BGYNBS8931

Place : Indore

Date : 25th May 2023

“Annexure B” to the Auditor’s Report

The Annexure referred to in paragraph 2(A)(f) under “Report on other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date on the consolidated Ind AS financial statements to the members of Kriti Industries (India) Limited for the year ended 31st March, 2023.

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to consolidated financial statements of **KRITI INDUSTRIES (INDIA) LIMITED** (“the Holding Company”) and its subsidiary and its associate company which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its subsidiary company and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements 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 respective 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 with reference to consolidated financial statements 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”) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by 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 consolidated financial statements 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 consolidated financial statements

and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 and the audit evidence obtained by the other auditors of the relevant associate referred to in the “Other Matters” paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements 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 consolidated financial statements 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary company and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2023, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one associate, which is company incorporated in India, is based solely on the financial statements / financial information certified by the management of such company incorporated in India. Our opinion is not modified in respect of this matter.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants
Firm Reg. No.: 002150C

CA. PUNEET GUPTA

Partner

Place : Indore
Date : 25th May 2023

Membership No.: 413168
UDIN : 23413168BGYNBS8931

Consolidated Balance Sheet as on 31.03.2023

(Rs. in Lakhs)

PARTICULARS	Note No	As at 31.03.2023	As at 31.03.2022
ASSETS			
(1) NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	12,349.59	10,581.25
(b) Capital work-in-progress		1,688.75	1,371.41
(c) Other Intangible assets	4	4.54	8.98
(d) Financial Assets			
(i) Investments	5	285.71	2.15
(ii) Other financial assets	6	207.67	224.04
Total Non Current Assets		14,536.26	12,187.83
(2) Current Assets			
(a) Inventories	7	15,943.71	20,656.42
(b) Financial Assets			
(i) Trade receivables	8	5,343.34	3,235.36
(ii) Cash and cash equivalents	9	6.32	15.17
(iii) Bank balances other than (ii) above	10	1,305.85	1,372.50
(iv) Loans	11	154.72	224.44
(c) Income tax assets (Net)	12	205.76	114.21
(d) Other current assets	13	3,644.84	3,092.05
Sub Total		26,604.54	28,710.15
(3) Property, Plant and Equipment Held for sale	13a	-	24.79
Total Current Assets		26,604.54	28,734.94
Total Assets		41,140.80	40,922.77
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	14	496.04	496.04
(b) Other Equity	15	12,516.39	14,917.71
Total Equity		13,012.43	15,413.75
LIABILITIES			
(2) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	2,524.83	1,960.49
(ia) Lease Liabilities	16	266.77	287.60
(b) Deferred tax liabilities (Net)	17	286.82	1,016.40
(c) Other non-current liabilities	18	430.08	318.27
(d) Provisions	23	55.24	22.97
Total Non Current Liabilities		3,563.74	3,605.73
(3) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	9,194.56	7,638.92
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		359.62	260.27
(b) Total outstanding dues of creditors other than micro and small enterprises	20	12,561.47	12,463.35
(iii) Others	21	15.12	13.34
(b) Other current liabilities	22	2,235.27	1,168.97
(c) Provisions	23	198.59	183.44
(d) Current tax liabilities (Net of Adv Tax & TDS)		-	-
Total Current Liabilities		24,564.63	21,728.29
(4) Other advances received against assets held for sale.	24	-	175.00
Total Equity and Liabilities		41,140.80	40,922.77

Significant accounting policies & Notes to the accounts 1 - 41

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

For and on behalf of the Board of Directors

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May'2023

Consolidated Statement of Profit & Loss

For the period ended 31.03.2023

(Rs. in Lakhs)

Particulars	Note No	For the year ended 31.03.2023	For the year ended 31.03.2022
REVENUE			
Revenue From Operations	25	73,247.40	54,473.96
Other Income	26	353.07	134.88
Total Income		73,600.47	54,608.84
EXPENSES			
Cost of materials consumed		62,885.56	46,686.95
Changes in inventories of finished goods, Stock-in-Trade and Work-in-Progress		1,976.46	(2,738.21)
Employee benefits expense	27	2,931.38	2,323.95
Finance costs	28	1,673.90	1,410.29
Depreciation and amortization expense	3-4	913.35	806.82
Other expenses	29	6,228.64	4,310.58
Total Expenses		76,609.29	52,800.38
Profit/(loss) before exceptional items and tax		(3,008.82)	1,808.46
Exceptional Items (Impairment Loss)		-	(116.55)
Profit/(loss) before tax		(3,008.82)	1,925.01
Tax expense:			
(1) Current tax		-	470.13
(2) Deferred tax		(729.58)	11.11
(3) Earlier Period Tax		-	15.54
Total Tax Expenses		(729.58)	496.78
Net Profit/(Loss) for the period from continuing operations		(2,279.24)	1,428.23
Profit/(Loss) for the period from discontinued operations		(7.55)	551.33
Tax expense:			
(i) Current tax		13.60	22.41
(ii) Deferred tax		-	(36.08)
Net Profit/(Loss) for the period from discontinued operations		(21.15)	565.00
Net Profit/(Loss) for the period.		(2,300.39)	1,993.23
Share in Net Profit/(Loss) of Associate Company		(0.25)	
Net Profit/(Loss) for the period after shared Profit/(Loss) of Associate		(2,300.64)	1,993.23
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		2.14	(16.42)
Total Other Comprehensive Income		2.14	(16.42)
Total Comprehensive Income for the period		(2,298.50)	1,976.81
Earnings per equity share			
(1) Basic		(4.64)	4.02
(2) Diluted		(4.64)	4.02

Significant accounting policies & Notes to the accounts 1 - 41

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May'2023

Consolidated Statement of Cash Flow as on 31.03.2023

(Rs.in Lakhs)

Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit/(Loss) before Tax		(3,016.37)		2,476.34
Add: Loss/ (profit) from Discontinued Operations		7.55		(551.33)
Net Profit before Tax (Net of Discontinued Operations)		(3,008.82)		1,925.01
Adjustments for :				
Depreciation & Amortisation Expenses	913.35		806.82	
(Profit)/ Loss on Sale of Property, Plant & Equipments	(192.38)		52.30	
Financial Income	(110.60)		(98.37)	
OCI Income	2.14		(16.42)	
Financial Expense	1,735.49	2,348.00	1,435.14	2,179.47
Cash Operating Profit before working capital changes		(660.82)		4,104.48
(Increase) / Decrease in Inventories	4,712.71		(4,484.54)	
(Increase) / Decrease in Trade Receivables	(2,107.98)		632.67	
(Increase) / Decrease in Deposit given	69.72		524.75	
(Increase) / Decrease in Other Current Assets	(552.79)		(958.23)	
(Increase) / Decrease in Loan Given	-		-	
(Increase) / Decrease in other Financial assets	16.37		91.06	
Increase / (Decrease) in Trade Payables	197.47		1,481.53	
Increase / (Decrease) in Other Financial Liabilities	1.78		(0.75)	
Increase / (Decrease) in Other Current Liabilities	1,066.30		(199.67)	
Increase / (Decrease) in Provisions	47.42		(71.25)	
Increase / (Decrease) in Other Tax Liabilities	-		(57.85)	
		3,451.01		(3,042.28)
Tax Paid		(108.76)		(659.37)
Net Cash From Operating Activities (A)		2,681.43		402.84
Cash Flow From Investing Activities				
Financial Income	110.60		98.37	
Sale Proceed Of Property, Plant & Equipment (Net)	192.38		(52.30)	
Purchase of Property, Plant & Equipment Including CWIP Net of Govt. Grant.	(2,999.02)		(1,781.36)	
Purchase of Intangible assets Including WIP	4.43		5.22	
Advance received against asset held for sale (Net of Asset)	(150.21)		(344.56)	
Investment in Fixed Deposits against margin money	66.66		821.24	
(Increase) / Decrease in Non Current Investment	(283.56)		-	
Profit/ (Loss) of Associate Company	(0.25)		-	
Add: (Loss)/ profit from Discontinued Operations	(7.55)		551.33	
Net Cash Used In Investing Activities (B)		(3,066.52)		(702.06)

Consolidated Statement of Cash Flow

as on 31.03.2023

(Rs.in Lakhs)

Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
	Amount	Amount	Amount	Amount
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	-		-	
Repayment of Long Term Borrowings	564.34		(644.50)	
Net Increase / (Decrease) in Long Term Borrowings	564.34		(644.50)	
Increase / (Decrease) in Other Non Current Liability	90.98		24.07	
Increase / (Decrease) in Short Term Borrowings	1,555.64		2,467.07	
Dividend Paid on Equity Shares	(99.21)		(99.21)	
Financial Expenses	(1,735.49)		(1,435.14)	
Net Cash Used In Financing Activities (C)		376.26		312.29
Net Decrease In Cash and Cash Equivalents (A + B + C)		(8.85)		13.07
ADD :Cash and cash equivalents - Opening - 1st April		15.17		2.10
Cash and cash equivalents - Closing - 31st March, 2023		6.32		15.17

Footnote to Cash Flow Statement:

1. Components of Cash and Cash Equivalents are produced as under:

Particulars	2022-23	2021-2022
Cash & Cash Equivalents		
Balances with Banks		
Current Account	5.22	14.54
Cash on hand	1.10	0.63
Total of Cash & Cash Equivalent	6.32	15.17

Significant accounting policies & Notes to the accounts 1 - 41

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

Chairman and Managing Director

DIN 00023523

Purnima Mehta

Executive Director

DIN 00023632

Rajesh Sisodia

Chief Financial officer

Tanuj Sethi

Company Secretary

M.No. A69680

Place: Indore

Date:- 25th May'2023

Statement of Change in Equity for the Year ended 31st March, 2023

A. Equity Share capital

(1) Current Reporting period

Rs. In Lakhs

Equity Share Capital	Balances as at 1st April,2022	Changes in equity share capital during the year due to prior period item	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2023
Paid up Capital	496.04	-	-	-	496.04

(2) Previous Reporting period

Rs. In Lakhs

Equity Share Capital	Balances as at 1st April,2021	Changes in equity share capital during the year due to prior period item	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31st March, 2022
Paid up Capital	496.04	-	-	-	496.04

B. Other Equity

(1) Current Reporting period

Rs. In Lakhs

	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Share Forfeiture Account	Retained Earnings	
Balance as at 1 st April 2022	-	466.14	3,825.00	2.73	10,623.84	14,917.71
Total Comprehensive income for 2022-23					(2,300.64)	(2,300.64)
Actuarial Gain/Loss on Defined Benefit Plan recognised in Other Comprehensive Income					2.15	2.15
Dividends					(99.21)	(99.21)
Transfer of retained earning			-		-	-
Short IT Provision Earlier Year					(3.61)	(3.61)
Balance as at 31st March, 2023	-	466.14	3,825.00	2.73	8,222.52	12,516.39

(2) Previous Reporting period

Rs. In Lakhs

	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	General Reserve	Share Forfeiture Account	Retained Earnings	
Balance as at 1 st April 2021	-	466.14	3,725.00	2.73	8,891.72	13,085.59
Total Comprehensive income for 2021-22					1,993.23	1,993.23
Actuarial Gain/Loss on Defined Benefit Plan recognised in Other Comprehensive Income					(16.42)	(16.42)
Dividends					(99.21)	(99.21)
Transfer of retained earning			100.00		(100.00)	-
Short IT Provision Earlier Year					(45.48)	(45.48)
Balance as at 31st March 2022	-	466.14	3,825.00	2.73	10,623.84	14,917.71

Share Premium Account

Share Premium to be used in future to pay the expenses of issuing equity, such as underwriter fees or for issuing bonus shares to shareholders.

General Reserve

General Reserve are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Retained Earnings

The Balance in the Retained Earnings represents the accumulated profit after payment of dividend, transfer to General reserve and adjustment of Actuarial gains/(losses) on Defined benefit Plans.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

1 Corporate Information

Kriti Industries (India) Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 12.03.1990 and having its Registered office in Indore (MP). The company's shares are listed in the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). KILL manufactures premium quality piping products and solution, accessories, gas pipe, telecom ducts, submersible pipes and casing pipes.

The Group includes Kriti Industries (India) Ltd as the holding company, its wholly owned subsidiary Kriti Auto and Engineering Plastics Private Limited and the associate company FP Elite Energy Private Limited.

The Consolidated Financial Statements have been prepared as required u/s 129 (5) of the Companies Act, 2013 ("the Act").

2. Statement of Compliance of Indian Accounting Standards

These financial statements are consolidated financial statements of the Group (also called consolidated financial statements). The Group has prepared and presented its consolidated financial statements for the year ended March 31, 2023 together with the comparative period information as at and for the year ended March 31, 2022 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

2.1 Basis of preparation and presentation

The Group has consistently applied all the accounting policies to all periods presented in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value:

- i) Certain financial assets and liabilities (including derivative instruments)
- ii) Defined benefit plans - plan assets

The financial statements of the Group have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on going concern basis except in the case of the wholly owned subsidiary Kriti Auto and Engineering Plastics Private Limited.

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

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 addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.2 Principles of consolidation

- a. The accompanying consolidated financial statements have been prepared and presented in Indian Rupees (INR) being the functional currency and the presentation currency of the Parent Company.
- b. The consolidated financial statements of the Group have been prepared on a line-by-line consolidation of Kriti Industries Limited and its wholly owned subsidiary by adding together the like items of assets, liabilities, equity, income, expenses and cash flows, after fully eliminating intra-group balances and intra-group transaction including unrealized gain or losses from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation.
- c. The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presents to the extent possible, in the same manner as the company's separate financial statements.

Significant Accounting Policies and Notes to the Accounts 31.03.2023

- d. The Subsidiary and Associate considered in the consolidated financial statements are:

Name of Company	Country of incorporation	% Voting Power held as at 31 st March, 2023	% Voting power held as at 31 st March, 2022
Kriti Auto & Engineering Plastics Pvt. Ltd (KAEPPL) (Subsidiary)	India	100	100
FP Elite Energy Private Limited (Associate)	India	34.78	Nil

- e. The financial statements of the Subsidiary have been consolidated on line by line basis in accordance with Ind AS 110 Consolidated Financial Statements. The financial statements of the Associate have been consolidated in accordance with Ind AS 28 Investments in Associates and Joint Ventures.

2.3. Other Significant accounting Policies

These are set out in the notes to the financial statements under “Statement of accounting Policies” of financial statements of the company and KAEPPL.

2.3.1 Recent pronouncements:

Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide Notification dated 23 March, 2022. Following amendments and annual improvements to Ind AS are applicable from 1 April, 2022.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No. 3-4 Property, Plant, Equipment and Other Intangible Assets (2022-23)

(Rs in Lakhs)

Note	Particular	Gross Block			DEPRECIATION			Net Block			
		01.04.2022	Addition	Deduction	Total	01.04.2022	For the Year	Written back	Total	31.03.2023	31.03.2022
3	Tangible Assets										
3.1	Land	-	-	-	-	-	-	-	-	-	-
3.1.1	Free hold Land	326.19	-	7.83	318.36	-	-	-	-	318.36	326.19
3.1.2	Lease hold Land	36.66	-	-	36.66	2.91	0.49	-	3.40	33.26	33.75
3.2	Buildings	2,659.82	352.44	45.33	2,966.93	476.77	131.94	-	608.71	2,358.22	2,183.04
3.3	Plant & Machinery	10,785.69	2,541.53	195.41	13,131.81	3,067.69	724.69	-	3,792.38	9,339.43	7,717.99
3.4	Furniture	58.85	-	-	58.85	25.61	5.13	-	30.74	28.11	33.25
3.5	Vehicles	24.35	-	-	24.35	23.41	0.93	-	24.34	0.01	0.94
3.6	Office Equipment	171.32	31.86	-	203.18	120.66	13.27	-	133.93	69.25	50.66
3.7	Right-of-Use Asset:										
3.7.1	Office Building	324.72	-	-	324.72	89.30	32.47	-	121.77	202.95	235.43
	Total (3)	14,387.60	2,925.83	248.57	17,064.86	3,806.35	908.92	-	4,715.27	12,349.59	10,581.25
	Previous Year	13,073.16	1,767.64	453.21	14,387.60	3,041.21	801.60	36.45	3,806.35	10,581.25	-
4	Other Intangible Assets										
4.1	Other Computer Software	55.07	-	-	55.07	46.09	4.43	-	50.52	4.54	8.98
	Total (4)	55.07	-	-	55.07	46.09	4.43	-	50.52	4.54	8.98
	Previous Year	55.07	-	-	55.07	40.87	5.22	-	46.09	8.98	-
	Grand Total (3+4)	14,442.67	2,925.83	248.57	17,119.93	3,852.44	913.35	-	4,765.79	12,354.13	10,590.23
	Previous Year	13,128.25	1,767.64	453.21	14,442.68	3,082.08	806.82	36.45	3,852.45	10,590.23	-

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note-5 Investments

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
5.1 Investment in Trust Securities		
5.1.1 National Saving Certificate	0.14	0.14
5.2 Unquoted		
Non Trade Investment in equity instruments		
5.2.1 Sahkari Audhyogik Vasahat LIMITED (1 Share of Rs.500/-)	0.01	0.01
5.2.2 The Cosmos Co-operative Bank Ltd. (1000 Equity Shares of Rs. 100/- each)	1.00	1.00
Trade Investment in equity instruments		
5.2.3 Kriti Auto Engineering & Plastic Private Limited (100% Subsidiary) (3885000 Shares of Rs.10/-each)	1.00	1.00
Trade Investment in equity instruments		
5.2.4 FP Elite Energy Private Limited (788141 share @ RS. 10 each of FP Elite energy Pvt Ltd- 34.78% Stake) (Previous Year - Nil)	78.81	-
Less:- Provision For Impairment Loss	(0.25)	-
Investment in Mutual Fund	205.00	-
5.2.5 SBI Short Term debt Fund (757493.092 Units of Rs. 27.06 each) (Previous Year - Nil) Nav as on 31/3/2023 Rs. 27.13 (Previous Year - Nil)		
Total	285.71	2.15

Note-6 Other Financial Assets

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
6.1 Security deposit	207.67	224.04
	-	-
Total	207.67	224.04

Note-7 Inventories

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
7.1 Raw Material	5,577.90	8,433.26
7.2 Finished Goods	9,684.28	11,660.74
7.3 Stores and Spares & others	681.53	562.42
Total	15,943.71	20,656.42

Note-8 Trade Receivables

(Rs.in Lakhs)

Particular	31.03.2023	31.3.2022
8.1 Trade Receivables		
Unsecured considered good	5,343.34	3,235.36
Total	5,343.34	3,235.36
Trade receivables		
Secured, considered good - -	-	-
Unsecured, considered good	5,343.34	3,235.36
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Impairment for trade receivable		
Trade Receivables - credit impaired - -		
Current trade receivables	5,343.34	3,235.36

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account

as on 31.03.2023

Note-8 Trade Receivables (Contd.)

Rs. In Lakhs

Particular	Outstanding for the following periods from due date of payment as on 31.3.2023						Total
	Not Due	Less Than 6 month	6 month-1 years	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables- considered good	3,110.38	1,098.51	86.53	69.25	193.19	628.40	5,186.26
ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables- considered good	-	-	-	-	-	157.08	157.08
v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-

Rs. In Lakhs

Particular	Outstanding for the following periods from due date of payment as on 31.3.2022						Total
	Not Due	Less Than 6 month	6 month-1 years	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables- considered good	2,145.48	257.29	124.07	129.62	111.75	245.35	3,013.56
ii) Undisputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables- credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables- considered good	-	-	-	-	-	221.80	221.80
v) Disputed Trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables- credit impaired	-	-	-	-	-	-	-

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

Note-9 Cash and Cash Equivalents

Particulars	2022-23	2021-2022
9.1 Balances with Banks	5.22	14.53
9.2 Cash on hand	1.10	0.63
Total	6.32	15.17

Note-10 Other Bank Balances

Particulars	2022-23	2021-2022
10.1 Unpaid dividend	38.06	13.34
10.2 Fixed deposit with banks against margin money (Maturity less than 11 months)	1,267.79	1,359.16
Total	1,305.85	1,372.50

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note-11 Loans

Particulars	2022-23	2021-2022
11.1 Unsecured, Considered good	154.72	224.44
Advances recoverable in cash or kind or for value to be received	-	-
Total	154.72	224.44

Note No -12 Income Tax Assets (Net)

Particulars	2022-23	2021-2022
12.1 Advance Tax & TDS (Net)	205.76	114.21
Total	205.76	114.21

Note-13 Other Current Assets

Particulars	2022-23	2021-2022
13.1 Sundry Deposits	55.15	55.15
13.2 Other Current Assets	1,413.51	961.63
13.3 Accrued Interest/ Income	1,397.59	36.58
13.4 Advance to Vendor/creditors (Vendor Debit Balances)	778.59	2,038.69
Total	3,644.84	3,092.05

Note-13 (a) Non Current Assets Held For Sale

Particulars	2022-23	2021-2022
13a.i.Non current assets held for sale	-	24.79

Note No -14 Equity Share Capital

Particulars	2022-23	2021-2022
14.1 AUTHORIZED		
14.1.1 80000000 Equity Shares of Re. 1/- each	800.00	800.00
14.1.2 2000000 Optional convertible Preference Shares of Rs. 10/- each	200.00	200.00
14.2 ISSUED, SUBSCRIBED AND PAID UP		
14.2. 49603520 equity shares of Rs 1/- each fully paid up. which are issued as fully paid up Shares on 27.01.2010 on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench		
14.2.2 Reconciliation of shares		
14.2.2.1 Opening Balance of 49603520 shares of Rs. 1/- each Total	496.04	496.04
14.2.2.2 Issued during the year	-	-
14.2.2.3 Closing Balance 49603520 shares of Rs. 1/- each	496.04	496.04

The company has issued only one class of shares referred to as equity shares having a par value of Rs.1 each. Holder of the equity share as referred in the records of the company as of date of the shareholder's meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder's meeting. The company declares and pays dividends in Indian rupees. In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -14 Equity Share Capital (Contd.)

Particulars	2022-23	2021-2022
	496.04	496.04
14.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE		
14.3.1 SAKAM TRADING PRIVATE LIMITED		
No. of Shares	2,58,43,673	2,58,43,673
% of Shares	52.10%	52.10%
14.3.2 CHETAK BUILDERS PRIVATE LIMITED		
No. of Shares	46,32,029	46,32,029
% of Shares	9.34%	9.34%

14.5 Promoter's Share Holding

Name of promoter	As at 31 March 2023			As at 31 March 2022		
	Number of shares	% of total shares	% Change during the year	Number of shares	% of total shares	% Change during the year
1) SHIV SINGH MEHTA	20,67,299	4.17	0.00	20,67,299	4.17	0.00
2) PURNIMA MEHTA	2,97,587	0.60	0.00	2,97,587	0.60	0.00
3) DEVKI MEHTA	38,736	0.08	0.00	38,736	0.08	0.01
4) SAURABH MEHTA	30,423	0.06	0.00	30,423	0.06	0.00
5) SAKAM TRADING PRIVATE LIMITED	2,58,43,673	52.10	0.00	2,58,43,673	52.10	0.00
6) CHETAK BUILDERS PRIVATE LIMITED	46,32,029	9.34	0.00	46,32,029	9.34	0.00
Total	3,29,09,747	66.35	0.00	3,29,09,747	66.35	0.01

Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Services Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipes Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f.27.02.12 of Kriti Industries (I) Ltd.

Note No -15 Other Equity

Particulars	2022-23	2021-2022
15.1 RESERVES		
15.1.1 General Reserve		
15.1.1 Opening Balance	3,825.00	3,725.00
15.1.2 Add: Transfer from P&L	-	100.00
15.1.3 Add: Transfer from Contingency Reserves	-	-
15.1.4 Closing Balance	3,825.00	3,825.00
15.2 SHARE PREMIUM ACCOUNT		
15.2.1 Opening Balance	466.14	466.14
15.2.2 Add: Transfer from P&L	-	-
15.2.3 Closing Balance	466.14	466.14
15.3 SHARE FOREFEITURE ACCOUNT		
15.3.1 Opening Balance	2.73	2.73
15.3.2 Add: Transfer from P&L	-	-
15.3.3 Closing Balance	2.73	2.73

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -15 Other Equity (Contd.)

Particulars	2022-23	2021-2022
15.4 SURPLUS		
15.4.1 Statement of Profit & Loss		
15.4.1 Opening Balance	10,615.69	8,867.15
15.4.2 Add Profit & Loss during the period	(2,300.64)	1,993.23
	8,315.05	10,860.38
Less:		
15.4.3 Final Dividend @ Rs.0.20 per share (PY Rs 0.20 per share)	99.21	99.21
15.4.4 Transferred to General Reserve	-	100.00
15.4.5 Short IT Provision 21-22	3.61	45.48
Balance in Surplus	8,212.23	10,615.69
15.5 OTHER COMPREHENSIVE INCOME (OCI)		
15.5.1 Opening Balance	8.15	24.57
15.5.2 Movement in OCI during the year	2.14	(16.42)
15.5.3 Closing Balance	10.29	8.15
Total	12,516.39	14,917.71

Note No -16 Financial Liabilities

Particulars	2022-23	2021-2022
16.1 TERM LOAN		
(Installment due within 12 months shown in Current Liabilities)		
16.1.1 SECURED		
16.1.1.1 From Banks		
Term of Repayment of Long Term Borrowings		
Particulars		
HDFC BANK	91.67	458.33
HDFC BANK GECL	153.33	306.64
TATA CAPITAL	1,200.00	-
SBI GECL	79.83	195.52
Total	1,524.83	960.49
(Above loans are secured by First charge/ Mortgage on fixed assets of the company and personal guarantee of Managing Director)		
16.1.2 UNSECURED		
16.1.2.1 Loans & Advances from Related parties		
(Long Term Deposit received from Kriti Nutrients Ltd.)	1,000.00	1,000.00
Total	2,524.83	1,960.49
16.i) Lease Liabilities	266.77	287.60

Note No-17 Deferred Tax Liability Net

Particulars	2022-23	2021-2022
17.1 Deferred Tax Liability (Net)	286.82	1,016.40
On account of tax effects on timing difference arising due to difference in Depreciation	-	-
Total	286.82	1,016.40

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -18 Other Non Current Liabilities

Particulars	2022-23	2021-2022
18.1 Other Loans and advances	430.08	318.27
(Security Deposit received from dealers)	-	-
Total	430.08	318.27

Note No -19 Borrowings

Particulars	2022-23	2021-2022
19. 1 Loans repayable on Demand		
19.1.1 SECURED		
From banks	5,378.39	2,654.70
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, sundry debtors, export bills, receivables and second charge on fixed assets of the company and personal gurantee of Managing director)	-	-
Current maturities of Long term debt	926.67	626.72
19.1.2 UNSECURED		
19.1.2.1 From banks	-	1,500.00
19.1.2.2 From others	-	-
19.1.2.3 Loans & Advances from Related parties	2,889.50	2,857.50
Total	9,194.56	7,638.92

Note No - 20 Trade Payables

Particulars	2022-23	2021-2022
20.1 Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	359.62	260.27
(b) Total outstanding dues of creditors other than micro and small enterprises	12,561.47	12,463.35
Total	12,921.09	12,723.62

Particular	Outstanding for the following periods from due date of payment as on 31.3.2023					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	359.62	-	-	-	-	359.62
(ii) Others	10,246.33	2,282.64	4.30	0.64	27.56	12,561.47
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-	-

Particular	Outstanding for the following periods from due date of payment as on 31.3.2022					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	260.27	-	-	-	-	260.27
(ii) Others	11,178.99	1,257.35	0.64	3.94	22.43	12,463.35
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-	-

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note No -21 Others

Particulars	2022-23	2021-2022
21.1 Unpaid dividends	15.12	13.34
Total	15.12	13.34

Note No -22 Other Current Liabilities

Particulars	2022-23	2021-2022
22.1 Other Current Liabilities	1,852.15	846.80
22.2 Statutory Liabilities	99.30	77.49
22.3 Employee Payable	276.38	244.68
22.4 Income Tax Provision	7.44	-
Total	2,235.27	1,168.97

Note No -23 Provisions

Particulars	2022-23	2021-2022
23.1 Provision for Employees Benefits	137.46	122.31
23.2 Provision for Doubtful debts	61.13	61.13
	198.59	183.44
23.3 Provision for Employees Benefits (Long Term)	55.24	22.97
Total	253.83	206.41

Note No -24 Other Advances Received Against Assets Held For Sale

Particulars	2022-23	2021-2022
24.a.i Advance received from sales of assets	-	175.00

Note-25 Revenue From Operations

Particulars	2022-23	2021-2022
25.1 Sale of Products	73,207.21	54,442.44
25.2 Other operating revenues (Penalty , Secondary Transportation etc.)	40.19	31.52
Total	73,247.40	54,473.96

Note-26 Other Income

Particulars	2022-23	2021-2022
26.1 Interest Income	110.60	98.37
26.2 Net Gain on foreign currency transactions	4.35	-
26.3 Other Non-operating Income	45.74	36.51
26.4 Profit on Sale of Fixed asset	192.38	-
Total	353.07	134.88

Note-27 Employee Benefits Expenses

Particulars	2022-23	2021-2022
27.1 Salaries & Wages	2,453.31	1,869.74
27.2 Contribution to provident and other fund	145.56	135.25
27.3 Staff Welfare Expenses	199.55	144.07
27.4 Director Remuneration	120.00	161.93
27.5 P.F on Director Remuneration	12.96	12.96
Total	2,931.38	2,323.95

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

Note-28 Financial Cost

Particulars	2022-23	2021-2022
28.1 Interest Expenses	1,349.25	1,124.27
28.2 Other Borrowing Cost (LC/BG Charges, Bank Commission etc.)	324.65	285.92
Total	1,673.90	1,410.19

Note-29 Other Expenses

Particulars	2022-23	2021-2022
(I)		
29.1 Stores and Spares Consumed	351.85	282.52
29.2 Power Charges	2,163.53	1,423.44
29.3 Freight & Cartage	890.84	508.16
29.4 Repairs & Maintenance	172.24	98.49
29.5 Insurance Charges	90.80	76.31
29.6 Water Charges	44.72	35.65
29.7 Loss on Sale of Fixed asset	-	52.30
29.8 Job Work Charges	156.62	92.83
29.9 Miscellaneous Manufacturing Expenses (Testing Charges, Security Charges etc.)	133.79	96.06
Sub Total (I)	4,004.39	2,665.76
(II)		
29.10 Stationery & Printing	8.74	6.51
29.11 Computer Expenses	33.79	16.43
29.12 Rent, Rates and Taxes	38.87	35.59
29.13 Postage, Telegram and Telephones	18.39	16.26
29.14 Auditor's Fees	4.75	4.00
29.15 Conveyance Expenses	55.09	54.28
29.16 Legal & Professional Charges	340.94	190.66
29.17 Miscellaneous Expenses	57.81	7.79
29.18 Director's Meeting Fee	4.92	3.72
29.19 Net loss on foreign currency transactions	-	39.77
29.20 Corporate Social Responsibility	63.07	57.18
Sub Total (II)	626.37	432.18
(III)		
29.21 Advertisement & Publicity	3.09	2.97
29.22 Sales Promotion Expenses	333.00	204.19
29.23 Market Development Expenses	31.45	-
29.24 Brokerage & Commission	20.82	16.89
29.25 Service Charges	4.98	-
29.26 Freight Outward	700.08	714.16
29.27 Statutory Levies	0.87	17.53
29.28 Travelling Expenses	503.59	234.73
29.29 Expected credit Loss	-	3.53
29.30 Bad Debts	-	18.63
Sub Total (III)	1,597.88	1,212.63
TOTAL (I+II+III)	6,228.64	4,310.57

30. In the opinion of the Board of Directors of the Company, the Current Assets, Loans and advances have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

31. Contingent liabilities

- Estimated amount of contracts remaining to be executed on Capital Account Rs. 163.00 Lakhs net of advance given (Previous Year Rs. 804.70 Lakhs)

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

31. Contingent liabilities (Contd.)

- b. Bank has given guarantee on behalf of the Company to various parties to the extent of Rs.1226.24 Lakhs (Previous Year Rs. 1612.61 Lakhs.)
- c. Claims Against company not acknowledge as debt by the company are as under:

		Rs in Lakhs			
S. No.	Particulars	Amount of Demand as on 31.03.2023	Amount Deposited / Relief against demand till 31.03.2023	Amount of Demand as on 31.03.2022	Amount Deposited against demand till 31.03.2022
1	Demand for MP & MH VAT Tax various years pending appeals at various levels	14.00	3.00	14.00	3.00
2	Demand for Entry Tax Act various years pending appeals at various levels	129.73	116.18	129.73	116.18
3	Demand for Central Sales Tax Act various years pending appeals at various levels	114.38	17.39	114.38	17.39
4	Demand for Excise and Service Tax Act various years pending appeals at various levels	150.42	11.84	150.42	11.84
5	Demand for Income Tax Act various years pending appeals at various levels	0.94	0.00	0.94	0.00

32. The amount of Foreign Exchange gain/ (loss) included in the profit & loss account is Rs. 4.35 Lakhs (Previous year gain/ (loss) Rs. (39.77) Lakhs).

33. As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Financial Statement

(i) Revenue from external

Particulars	2022-23	2021-2022
With in India	73247.40	54473.96
Outside India	-	-
Total	73247.40	54473.96

(ii) Non Current Assets

Particulars	2022-23	2021-2022
With in India	14536.26	12212.61
Outside India	-	-
Total	14536.26	12212.61

iii) Detail of Revenue from Single customer more than 10% (standalone)

There are no transaction with single customer which amounts to 10% or more of the Company's revenue.

34. Earning Per Share

The Company's share capital consists of equity share. The basic and diluted earnings per share is calculated as under:

Particulars	31.03.2023	31.03.2022
1. Number of Shares	49603520	49603520
2. Profit contribution for Basic EPS (Rs in Lakhs)	(2300.64)	1993.23
3. Basic Earning Per Share	(4.64)	4.02
4. Diluted Earning Per Share	(4.64)	4.02
5. Nominal Value Per Share	1.00	1.00

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account

as on 31.03.2023

35. Related Party Transactions

In accordance with the Indian Accounting Standard (IndAS) 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014. The names of the related parties and the relevant disclosure is as under:-

(a) Name of the related party and description of relationship:

i. Key Management Personnel:

Shri Shiv Singh Mehta, Chairman & Managing Director

Smt. Purnima Mehta, Executive Director

Shri Manoj Fadnis, Independent Director

Shri Chandrasekharan Bhaskar, Independent Director

Shri Rakesh Kalra, Independent Director

Shri Hitendra Mehta, Independent Director (appointed w.e.f. 13th August, 2021)

Smt. Vinita Puntambekar, Chief Financial Officer (appointed w.e.f. 1st February, 2022 and ceased w.e.f. 3rd February, 2023)

Mr. Rajesh Sisodia, Chief Financial Officer (appointed w.e.f. 3rd February, 2023)

Ms. Apeksha Baisakhiya, Company Secretary (Ceased w.e.f. 4th April, 2022)

Mr. Pankaj Baheti, Company Secretary (appointed w.e.f. 4th April, 2022 and ceased w.e.f. 22nd March, 2023)

Mr. Tanuj Sethi, Company Secretary (appointed w.e.f. 22nd March, 2023)

ii. Relatives of Key Management Personnel

Shri Saurabh Singh Mehta (Son of Chairman & Managing Director / Executive Director)

Smt. Devki Hirawat (Daughter of Chairman & Managing Director/ Executive Director)

Smt. Nidhi Mehta (Daughter-in-law of Chairman & Managing Director/Executive Director)

iii. Subsidiary Company

1) Kriti Auto & Engineering Plastics Pvt. Ltd (Wholly owned Subsidiary Company)

iv. Companies/entities under the control of Key Management Personnel

1) Sakam Trading Pvt. Ltd. (Holding Company)

2) Kriti Nutrients Ltd. (Fellow Subsidiary)

3) Chetak Builders Pvt. Ltd. (Fellow Subsidiary)

4) Sakam Charitable Trust, Indore

v.) Associate Company

1) F.P. Elite Energy Private Limited (wef 7th October 2022)

The following transaction were carried out with the related parties in the ordinary course of business

					(Rs. In Lakhs)
Sr. No.	Nature of Transaction	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel	Associate Company
1.	DEPB License purchased	NIL (NIL)	NIL (NIL)	326.31 (67.69)	NIL (NIL)
2	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	0.36 (4.41)	NIL (NIL)
3	Sale of Capital Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account as on 31.03.2023

35. Related Party Transactions (Contd.)

					(Rs. In Lakhs)
Sr. No.	Nature of Transaction	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel	Associate Company
4	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	25.93 (NIL)	NIL (NIL)
5	Purchase of Capital Goods	NIL (NIL)	NIL (NIL)	1.85 (NIL)	NIL (NIL)
6	Remuneration	185.16 (209.36)	7.02 (6.22)	NIL (NIL)	NIL (NIL)
7	Rent Paid	0.40 (0.39)	NIL (NIL)	NIL (NIL)	NIL (NIL)
8	Unsecured Loan				
	Repaid Back	80 (NIL)	27 (NIL)	6943 (NIL)	NIL (NIL)
	Taken	42 (496)	NIL (38)	7040 (5550)	NIL (NIL)
	Closing Balances	1238 (1276)	154.50 (181.50)	2497 (2400)	NIL (NIL)
9	Interest Given	100.72 (80.02)	16.18 (12.59)	172.35 (114.76)	NIL (NIL)

*The figures mentioned in the brackets are previous year figures.

* The related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

36. Auditor's Remuneration

		(Rs in Lakhs)	
Sr. No.	Particulars	31.03.2023	31.03.2022
a.	Statutory Audit/ Tax Audit Fees	5.25	4.50
b.	Taxation & Other matters including Legal & Professional Expenses.	0.62	0.60
	Total	5.87	5.10

Figures are exclusive of taxes.

37. Statement on Going Concern of Wholly Owned Subsidiary (WOS)

The financial statements of WOS have not been prepared on going concern basis in accordance with Ind AS 105.

38. Investment in Associates

The company has purchased 788141 shares of Rs 10 each (34.78%) for Rs 78,81,410 during this year. The company has recognized its share in the profit /loss of Associate Company as " Share in Net Profit /(Loss) of Associate" in consolidated Financials.

39. Government Grants

Madhya Pradesh Industrial Development Corporation, a Government of Madhya Pradesh Undertaking, has approved a sum of Rs 19.15 Crores (Rupees Nineteen Crores and Fifteen Lakhs only) as Investment Promotion Assistance out of the eligible investment of Rs 49.02 Crores (Rupees Forty Nine Crores and Two Lakhs only). The total assistance is to be spread over a period of seven years, subject to compliance with the terms and conditions. Out of the above sum of Rs 19.15 Crores, the State Level Empowered Committee (SLEC) has sanctioned a sum of Rs 2.41 Crores (Rupees Two Crores Forty One Lakhs Only) [previous year Rs 3.33 Crores] as Investment Promotion Assistance (IPA) under the Investment Promotion Assistance (IPA) Scheme of Government of Madhya Pradesh. The same has been reduced from the carrying cost of the eligible assets and such reduced cost of the assets are depreciated over their useful lives.

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss Account

as on 31.03.2023

40. Other Disclosures

- i) 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
- ii) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- iii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956
- iv) The Company has complied the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- v) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the current as well as the previous year.
- vi) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- vii) 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: (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- viii) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- ix) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year as well as in the previous financial year.
- x) The Company has not made any contribution to any political party during the current financial year as well as in the previous financial year.
- xi) The Company does not have any benami property as defined under Benami Transaction (Prohibition) Act 1988.
- xii) All the immovable property held by the company are in the name of the company.

41. Approval of Financial Statements

The financial statements are approved by the Board of Directors in their meeting held on 25.05.2023.

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

Puneet Gupta

Partner

M.No. 413168

Shiv Singh Mehta

(Chairman and Managing Director) (Executive Director)

DIN 00023523

Purnima Mehta

(Executive Director)

DIN 00023632

Rajesh Sisodia

(Chief Financial officer) (Company Secretary)

M.No. A69680

Tanuj Sethi

Place: Indore

Date:- 25th May/2023

Corporate Information

Board of Directors

Shri Shiv Singh Mehta

Chairman & Managing Director

Smt. Purnima Mehta

Executive Director

Shri Saurabh Singh Mehta

Director

Shri Rakesh Kalra

Independent Director

CA Manoj Fadnis

Independent Director

Shri Chandrasekharan Bhaskar

Independent Director

Shri Hitendra Mehta

Independent Director

Auditors

Rakesh Kumar & Associates

Chartered Accountants

"Navaratan", 128-R, Khatiwala Tank,

Indore – 452 004 (M.P.)

Secretarial Auditors

Ajit Jain & Company

Company Secretaries

'PREM VILLA' 84, Kailash Park Colony

Near Geeta Bhawan

INDORE - 452 001 (M.P.)

Bankers

State Bank of India

ICICI Bank Ltd.

HDFC Bank Ltd.

Company Secretary

Mr. Tanuj Sethi

Registered Office

Mehta Chambers, 34, Siyaganj

Indore – 452 007 (M.P.)

Corporate Support Center

8th floor, Plot no.10, PSP, IDA Scheme no.

78-II, Vijay nagar Indore 452010 MP IN

Share Transfer Agent

M/s Ankit Consultancy Pvt. Ltd.

60, Electronic Complex, Pardeshipura,

Indore – 452 010 (M.P.)



www.kritiindia.com

NOTICE

NOTICE is hereby given that the **33rd Annual General Meeting** of the Members of **Kriti Industries (India) Limited("KIL")** will be held on **Monday the 28th August, 2023 at 3:00 P.M.** through Video Conferencing ("VC") or Other Audio Video Means ("OAVM") for which purposes the corporate office of the company situated at **8th Floor, Brilliant Sapphire Plot No.10, PSP, IDA, Scheme No. 78, Part II, Indore (M.P.) 452010** shall be deemed as the venue for the Meeting and the proceedings of the 33rd Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESSSES:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements containing the Balance Sheet as at 31st March, 2023, the Statement of Profit & Loss, Statement of Cash Flow, Change in Equity and notes thereto of the Company for the Financial Year ended 31st March 2023 and the reports of the Board of directors and Auditors thereon as on that date.
2. To appoint a director in place of **Mr. Shiv Singh Mehta** (DIN 00023523) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

SPECIAL BUSINESSSES:

3. **To ratify the remuneration payable to the Cost Auditors of the company for the financial year 2023-24:**

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

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the members of the Company be and hereby ratify the payment of remuneration of Rs. 35,000 (Rupees Thirty Five Thousand Only), plus applicable taxes and reimbursement of out of pocket expenses at actual to S.P.S Dangi, Cost Accountant, Indore (Registration No. 100004) appointed by the Board on the recommendation of the Audit Committee, as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2024."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take

all such steps as may be necessary, proper or expedient to give effect to this resolution.

4. **To approve the transactions/contracts/arrangements with related parties under regulation 23 of the SEBI (LODR) Regulations, 2015:**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 read with the provisions of section 188 and 185 of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Company's policy on Related Party Transactions, consent of the members of the company be and is hereby accorded to enter into transactions/ contracts / arrangement, in the ordinary course of its business and on arm's length basis, for purchase, sale or deal in the products, goods, stock in trade, Transfer of Resources including receiving/ providing loans and advances or such other transactions, on such terms and conditions as may be mutually agreed upon between the company and all related party for an amount upto **Rs.100 Crores (Rupees One Hundred Crore only)** in each financial year.

RESOLVED FURTHER THAT the Board of Directors of the company, jointly and/or severally, be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalize the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the interest of the company."

Date: 22nd July, 2023

Place: Indore

Kriti Industries (India) Limited

CIN: L25206MP1990PLC005732

Registered Office:

Mehta Chambers, 34 Siyaganj,
Indore-452007

By order of the Board

Tanuj Sethi

Company Secretary

ACS 69680

NOTES:

1. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020, Circular No. 2/2021 dated 13th January, 2021, Circular No. 2/2022 dated 5th May, 2022 and Circular No. 10/2022 dated 28th December, 2022 (Collectively referred as MCA Circulars), physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only and no physical presence at the meeting is required.
2. Pursuant to the MCA Circulars issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (LODR) Regulations, 2015 (as amended), and the MCA Circulars issued by the MCA the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
6. The Notice calling the AGM alongwith complete Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories and has also been uploaded on the website of the Company. The Notice alongwith Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, and the 33rd AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. www.evotingindia.com. However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company.
7. This AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars issued by MCA from time to time.
8. The recorded transcript of the forthcoming 33rd AGM shall also be made available on the website of the Company - <https://kritiindustries.com/as> soon as possible after the Meeting is over.
9. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
10. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
11. Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 22nd August, 2023 to Monday, 28th August, 2023** (both days inclusive) for the 33rd AGM and the records of the beneficiaries of the CDSL and NSDL on the date of the AGM.

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date **21st August, 2023, (Monday)**.
12. CS Ishan Jain, Practicing Company Secretary (F.R.No. S2021MP802300, M. No. FCS 9978 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the 33rd AGM and remote e-voting process in a fair and transparent manner.
13. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting at its email ID cs1@kritiindia.com so that the information required may be made available at the Meeting.
14. The Members are requested to:
 - a) - Intimate changes, if any, in their registered addresses immediately.

- b) - Quote their ledger folio number in all their correspondence.
- c) - Send their Email address to us for prompt communication and update the same with their D.P. to receive softcopy of the Annual Report of the Company
15. Members are requested to notify immediately any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) in case the shares are held in demat form and in respect of shares held in physical form to the Registrar and Share Transfer Agent Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) having email Id investor@ankitonline.com, and compliance@ankitonline.com to receive the soft copy of all communication and notice of the meetings etc., of the Company.
16. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board Report.
17. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 33rd AGM. Members seeking to inspect such documents can send an email to cs1@kritiindia.com.
18. Pursuant to the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), the Company is in process to transfer the equity shares in respect of which has not been claimed or encashed for 7 or more consecutive years to the Investor Education and Protection Fund Authority (IEPF) of the Central Government. The Company has sent letters to the concerning shareholders whose dividend has not been claimed/encashed for 7 or more consecutive years. The details of such shareholders are posted on the website of the Company at <https://kritiindustries.com/>. Please note that the shares so transferred to the IEPF can be claimed from the IEPF Authority as per the procedure prescribed under the Rules.
19. As per SEBI Circular dated 20th April, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent of the Company, Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) having email Id investor@ankitonline.com and compliance@ankitonline.com.
20. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their depository participants. Members holding shares in physical form are requested to submit their PAN details to the company's RTA.
21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
- **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
 - **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Members' Reference available on the Company's website <https://kritiindustries.com/> under Standard documents for Investors and is also available on the website of the RTA.
22. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Standard documents for Investors available on the Company's website <https://kritiindustries.com/> and is also available on the website of the RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.
23. SEBI, vide its circular nos. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has mandated Members holding shares in physical form to submit PAN, nomination, contact details, bank account details and specimen signature in specified forms. Members may access www.kritiindustries.com for Form ISR-1 to register PAN/email id/bank details/other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agent.
24. In case a holder of physical securities fails to furnish PAN, nomination, contact details, bank account details and specimen signature by October 1, 2023, Ankit Consultancy Pvt Ltd will be obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.

In compliance with SEBI guidelines, the Company sent communication intimating about the submission of above details to all the Members holding shares in physical form to the RTA/Company.

25. Dispute Resolution Mechanism at Stock Exchanges-SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its Registrar and Transfer Agent on delay or default in processing any investor services related request.

In compliance with SEBI guidelines, the Company has sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.

26. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
27. Due dates for transfer of unclaimed/unpaid dividends and the amount remained unclaimed which may be transferred if continuing remain unpaid and or the balance amount if claimed by the shareholders for transfer thereafter the same to IEPF are as under:

F.Y. Ended	Declaration Date	Due Date for transfer to IEPF	Amount remains unpaid/unclaimed as at 22.07.2023 (Rs.)
2016-17	12/09/2017	19/10/2024	298460.25
2017-18	31/07/2018	06/09/2025	194989.05
2018-19	14/08/2019	20/09/2026	165891.30
2019-20	08/08/2020	15/09/2027	157900.15
2020-21	07/08/2021	13/09/2028	175385.20
2021-22	17/08/2022	23/09/2029	178805.20
TOTAL			1171431.15

28. **Voting through electronic means**

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- The voting period begins on **25th August 2023 (Friday)** and ends on **27th August, 2023, (Sunday)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **21st August 2023 (Monday)** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (LODR)

Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the voting is in progress as per the information provided by company. On clicking the voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

v. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on "Shareholders" module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,

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

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

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

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant Kriti Industries (India) Limited on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
- c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- d. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- e. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- f. Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs1@kritiindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for Shareholders attending the AGM through VC/OAVM & E-Voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the 33rd AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs1@kritiindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. However, the company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

4. Members can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- Any person, who acquires shares of the Company and become member of the Company after mailing of the notice and holding shares as on the cut-off date i.e. **21st August, 2023** (Monday), may obtain the login ID and password by sending a request at investor@ankitonline.com
5. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **21st August, 2023** (Monday) only shall be entitled to avail the facility of remote e-voting as well as e- voting at the AGM.
6. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/logged in at the AGM
7. The Results of the voting on the resolutions along with the report of the Scrutinizer shall be declared and placed on the website of the Company - <https://kritiindustries.com/> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd. and National Stock Exchange of India Limited.
8. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:
- M/s. Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010
Tel: 0731-4281333, 4065797/99E-mail: investor@ankitonline.com
9. As the 33rd AGM is being held through VC, the route map is not annexed to this Notice.

DETAILS OF DIRECTOR SEEKING APPOINTMENT/ AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name of the Director	Mr. Shiv Singh Mehta
DIN	00023523
Date of Birth	03.03.1954
Date of Appointment	01.10.2010
Qualification	B.E., MBA
Expertise in specific area	Finance, Marketing, Technical and BusinessAdministration
List of Outside Directorship held	Sakam Trading Private Limited Kriti Nutrients Limited Kriti Auto & Engineering Plastics Pvt. Ltd.
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman:- 1. Corporate Social Responsibility Committee 2. Investment and Finance Committee Member:-Stake holder Relationship Committee
No. of Equity Shares held	20,67,299 (4.17%)
Brief Resume	Mr. Shiv Singh Mehta is the founder and the Managing Director of the Kriti Industries (India) Ltd. The Kriti Group of Industries having an annual turnover of Rs 1530 crore (approx.) comprises of Kriti Industries (India) Ltd., Kriti NutrientsLtd. and Kriti Auto Engineering & Plastics Pvt. Ltd. These companies manufacture an umbrella of products under the brand names of 'Kasta', 'Kriti', 'Koresil', 'Mixwell' which are well known nationally & internationally in their respective spheres. The Kriti Group has a presence in over 17 states of India and is a recognized export house by Govt. of India. Born on 3 rd March 1954, Mr. Mehta did his BE in Electronics with distinction and MBA. He was involved in various sports activities at regional and national levels, social organizations and was also elected President of Student Council University of Indore (1975-1976) He has been and continues to be actively involved with various associations: 1. Chairman: Indore Management Association, Indore 2. Past president: Organization of Plastic Processors of India (Apex body of Plastic Processors in India) 2. Member: Governing Board, Shri Sathya Sai VidhyaVihar, Indore & Guna. 3. Member: Executive committee SOPA (Soybean Oil Processors Association) 4. Past President: All India Manufacturers Organization, MP State Board 5. Past President: Jain International Trade Organization, Indore He has been conferred various awards by organizations like Rotary International, Jaycee, Management Marshal, Arya Chanakya Udhyojak Shreshta Puraskar. He has also been awarded Chhavi Memorial Award for Excellence in Management.

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

Item No. 3:

Members are hereby informed that upon the recommendation of the Audit Committee, Board of Directors of your Company have appointed Mr. S.P.S Dangi, Cost Accountant, (Registration No. 100004), Cost Accountant, Indore as Cost Auditors of the Company for the year 2023-24 on the remuneration of Rs.35,000/-, plus applicable taxes and reimbursement of out of pocket expenses at actual. The Cost Auditor has given his consent and eligibility for appointment as Cost Auditor.

As per section 148(3) read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders in ensuing 33rd AGM.

None of the Directors, Key Managerial Personal or their relatives are concerned or interested financial or otherwise in the aforesaid resolution.

The Board of directors recommend to pass necessary resolution as set out in Item No. 3 of the Notice by way of an **Ordinary Resolution**.

Item No. 4:

Details of the proposed RPTs between the Company and Kriti Nutrients Limited (KNL) including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

S. No	Description	Details of proposed RPTs between the Company and Kriti Nutrients Limited (KNL)
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
	a. Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	The Company (KIL) and Kriti Nutrients Limited (KNL) are under the control of common KMP's. KNL is engaged in the business of Manufacture and crushing of the Soya Seeds, Soyabean Refined Oils, etc. KNL is a Related Party of the Company, as on the date of this Notice (being fellow subsidiary of Kriti Industries (India) Limited)
	b. Type, material terms, monetary value and particulars of the proposed RPTs.	The Company and KNL have entered into/proposed to enter into transactions w.r.t. Transfer of Resources, purchase, sale or other services for an aggregate value not exceeding Rs. 100 crores (Rupees One Hundred Crores).
	c. Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	13.65% on the basis of the proposed transaction of Rs. 100.00 Crores and the audited Consolidated turnover as on 31.03.2023.
2.	Justification for the proposed RPTs.	The entered/proposed to enter related party transactions will help the KIL for smooth functioning of the regular and day to day business transactions and w.r.t. transfer of resources it will help to maintain the liquidity levels of KIL with low cost of interest as compared to Banks.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
	a. Details of the source of funds in connection with the proposed transaction.	Own share capital/Internal accruals and liquidity of the KNL.
	b. Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: <ul style="list-style-type: none"> - Nature of indebtedness, - Cost of funds and - Tenure. 	Not applicable.
	c. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Inter-corporate Deposits within the overall limit of Rs. 100 Crores. <ul style="list-style-type: none"> • Interest rate: State Bank of India CC Rate of interest Minus (-) 50 Basis Point for loan taken by KIL if any; • Interest rate: State Bank of India CC Rate of interest Plus (+) 50 Basis Point for loan given by KIL if any; • Repayment Schedule/Tenure: On demand • Nature: Short-term • The above inter-corporate loans shall be unsecured.

S. No	Description	Details of proposed RPTs between the Company and Kriti Nutrients Limited (KNL)
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet working capital requirements.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The interest shall be not less than as specified u/s 186 of the Companies Act, 2013, However, the said transactions does not require any valuation or other external report.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any, and the nature of their relationship.	Mr. Shiv Singh Mehta, Chairman & Managing Director, Mrs. Purnima Mehta Whole-time Director and Shri Saurabh Singh Mehta, director of the Company are also directors on the Board of KNL. Further Ms. Devki Mehta and Ms. Nidhi Mehta being the relative of the aforesaid directors/promoters. They are not financially interested however, they may be considered as interested otherwise to the extent of their shareholding in the Company and KNL. None of the other KMPs or their relative are concerned or interested in any manner.
6.	Any other information that may be relevant.	N.A.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 4 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 4 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Date: 22nd July, 2023

Place: Indore

Kriti Industries (India) Limited

CIN: L25206MP1990PLC005732

Registered Office:

Mehta Chambers, 34 Siyaganj,

Indore-452007

By order of the Board

Tanuj Sethi

Company Secretary

ACS 69680