



KANODIA INFRATECH LIMITED

ANNUAL REPORT

2021-2022

Contact Info

📍 Registered Office: A-21, Sector-16,
Gautam Buddha Nagar, Noida, U.P. 201301

📍 Corporate Office: A-21, Sector-16,
Gautam Buddha Nagar, Noida, U.P. 201301

Tel: 0120-4561670

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INDEPENDENT AUDITOR'S REPORT

To the Members of Kanodia Infratech Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Kanodia Infratech Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 27.1 of the financial statements regarding a case filed by a customer against the Company for alleged breach of contractual terms which has been disputed by the Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitrator has held the Company liable to pay principal sum of ₹ 4983.87 Lakhs and interest thereon. The Company has challenged the aforesaid arbitration award before the Single Judge bench of the Hon'ble High Court which has been decided partly in the favour of the Company by set aside the award of ₹ 400 Lakhs. The Company has further challenged the matter before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court. The Company has accounted for liability for principal amount aggregating ₹ 4559.88 Lakhs (including ₹ 94 lakhs towards arbitration costs) in earlier years. Principal amount of ₹ 118 lakhs and interest of ₹ 4883.04 lakhs have not been accounted for and shown as contingent liability in the financial statements. The Company's legal counsel has given opinion that there are high probabilities of favorable decision.

Our opinion is not qualified in respect of above matter.



Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Other Matter

The financial statements for the year ended March 31, 2021, included in the accompanying financial statements have been audited by predecessor auditor whose audit report dated November 10, 2021 expressed unmodified opinion. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government 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. 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g) In our opinion and according to the information and explanations given to us, the managerial remuneration paid/ provided by the company for the year ended March 31, 2022 is in accordance with the provisions of section 197 read with schedule V to the Act.



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

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 27.1 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There was no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures, we have 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 (a) and (b) contain any material mis-statement.
- v. The Company has not declared and paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Company.

Date: September 29, 2022
Place: Noida (Delhi – NCR)



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E


Bimal Kumar Sipani
Partner

Membership No. 088926
UDIN : 22088926AWSMJL5900

Annexure A to Independent Auditor's Report of even date to the members of Kanodia Infratech Limited on the financial statements as of and for the year ended March 31, 2022 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)

- (i) a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment except in cases of certain assets where the same is in process of Updation.

(B) The Company has maintained proper records showing full particular of intangible assets.

- b. The property, plant and equipment were not physically verified during the year by the management. In our opinion all property, plant and equipment should be physically verified over a period of three years.
- c. Based on the records examined by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) and included in property, plant & equipment [note no. 7 to the financial statements] are held in the name of the Company except the followings :

Description of property	Gross carrying value (₹ Lakhs)	Period held (i.e. dates of capitalisation provided in range)	Held in the name of	Whether promoter, director or their relative or employee	Reason for not being held in the name of the Company
Freehold Land	22.89	Title deed not available			

- d. On the basis of our examination of the record of the Company, the Company has not revalued its property, plant and equipment during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.
- e. According to information and explanations given to us, no proceeding has been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- (ii) a. The management has not conducted physical verification of inventories during the year.
- b. According to the information and explanations given to us, the Company has not been sanctioned working capital limits from banks or financial institutions. Therefore, the provisions of clause 3(ii)(b) of the Order are not applicable to the Company.
- (iii) a. Based on the books of account examined by us and according to information and explanation given to us, the Company has granted unsecured loan of ₹ 9,901.97 Lakhs to holding company and a fellow subsidiary company during the year and balance outstanding as on balance sheet date was ₹ 1,729.98 Lakhs. The Company has not provided any advance in the nature of loans, or stood guarantee, or provided security during the year.



- b. In our opinion and according to the information and explanation given to us, the terms and conditions of the loan granted, during the year are, prima facie, not prejudicial to the Company's interest.
- c. The schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount was regular. The Company has waived interest of ₹ 124.21 Lakhs on loan granted to M/s Kanodia Cem Private Limited (fellow subsidiary company).
- d. Based on the books of accounts and other relevant records examined by us, there is no overdue amount remaining outstanding for more than ninety days as on the balance sheet date.
- e. According to the information and explanation given to us and record examined by us we have not come across any case where the loan granted by the Company which was fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f. According the information and explanation given to us and records examined by us, no loans or advances in the nature of loans have been granted during the year which was either repayable on demand or without specifying any terms or period of repayment. Therefore, the provisions of clause 3(iii) (f) of the Order are not applicable to the Company.
- (iv) According to information and explanation given to us and based on audit procedure performed by us, the Company has complied with provisions of section 186 of the Companies Act, 2013 with respect to loan granted during the year except filing of relevant resolution with the Registrar of the Companies. No loan or guarantee or security under section 185 and no investment or guarantee and security under section 186 of the Companies Act, 2013 have been given during the year.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products i.e., Cement to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities except delay in payment of Goods and Service Tax, Provident fund and Tax deducted at source. The provisions relating to Employees' State Insurance are not applicable to the Company. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable except advance Income-tax of ₹ 301.74 Lakhs.

- b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings where amount has been quantified by the relevant authorities.

The Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount related	Forum where matter is pending
Central Excise Act, 1944	Cenvat	137.77	March 2015 to June 2017	Principal Commissioner

- (viii) According to the information and explanation given to us, there was no transactions which have not recorded in the books of account, but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year. Therefore, the provisions of clause 3(ix)(a) of the Order are not applicable to the Company
- b. According to information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.
- c. Based on books of accounts examined by us, term loans were applied for the purpose for which the loans were obtained during the year.
- d. According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis during the year have been used for long-term purposes by the Company.
- e. The Company has no subsidiaries, joint ventures or associates. Therefore, the provisions of clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.
- (x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) a. Based upon the audit procedures performed and the considering the principles of materiality outline in Standards on Auditing for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management during the course of audit except an instance of ₹ 10 Lakhs, discovered by the Company where cash withdrawn from bank was robbed by some outsiders.

- b. During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us 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 explanation given to us, no whistle-blower complaints received by the Company during the year.
- (xii) In our opinion and according the information and explanation given to us , the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) The Company does not have internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transaction with its directors or persons connected with them as referred to in section 192 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) a. According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the representations given by the management, the Group has no CIC as part of the Group .
- (xvii) The Company has not incurred cash loss in the current financial year and in the immediately preceding financial year. Therefore, the provision of clause 3(xvii) of the Order are not applicable to the company.
- (xviii) There has been resignation of statutory auditors during the year and no issue, objection or concern was raised by the outgoing auditor.



- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provision of section 135(6) of the Companies Act, 2013.

Date: September 29, 2022

Place: Noida (Delhi – NCR)



For Singhi & Co.

Chartered Accountants

Firm Reg. No. 302049E

Bimal Kumar Sipani

Partner

Membership No. 088926

UDIN : 22088926AWSMJL5900

Annexure B to Independent Auditor's Report of even date to the members of Kanodia Infratech Limited on the financial statements for the year ended March 31, 2022 (Referred to in paragraph 2(f) of our report on the other legal and regulatory requirements)

We have audited the internal financial controls with reference to financial statements of Kanodia Infratech Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 the Standards on Auditing, issued by Institute of Chartered Accountants of India 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, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to financial statements included obtaining an understanding of Internal Financial Controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's Internal Financial Controls with reference to 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 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 financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India however the same needs to be further strengthened.

Emphasis of Matter

We draw attention that the Company has defined risk control matrix of various process basis Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India but the same is required to be further strengthened by incorporating more controls related to entity level controls, process level controls and controls related to financial statements review and closure process.

Our opinion under Section 143(3)(i) of the Act is not modified in respect of above matter.



Explanatory Statement

The weakness in operating effectiveness of internal financial control system as stated in 'Emphasis of Matter', was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 financial statements of the Company and this report does not affect our report dated September 29, 2022, which expressed an unqualified opinion on those financial statements.

For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E




Bimal Kumar Sipani
Partner

Membership No. 088926

UDIN : 22088926AWSMJL5900

Date: September 29, 2022

Place: Noida (Delhi – NCR)

M/S KANODIA INFRATECH LIMITED

BALANCE SHEET AS AT MARCH 31, 2022

CIN:U74900UP2010PLC039750

(₹ in Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1	1,412.51	1,412.51
(b) Reserves and surplus	2	5,823.31	3,778.88
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term borrowings	3	155.00	497.10
(b) Deferred tax liabilities (Net)	4	1,089.50	217.96
(c) Other long-term liabilities		-	-
(d) Long-term provisions	5	19.40	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	6	-	-
Total outstanding due to micro and small enterprises		0.57	-
Total outstanding due to other than micro and small enterprises		1,877.21	2,189.90
(c) Other current liabilities	7	4,884.66	4,947.14
(d) Short-term provisions	8	864.22	-
Total		16,126.38	13,043.49
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment and intangible assets			
(i) Property, plant and equipment	9.1	9,159.89	9,704.62
(ii) Intangible assets	9.2	0.04	1.22
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (Net)		-	-
(d) Long-term loans and advances	10	1,742.86	3.00
(e) Other non-current assets	11	198.40	198.40
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	12	385.02	405.50
(c) Trade receivables	13	2,605.88	1,066.01
(d) Cash and cash equivalents	14	64.10	21.84
(e) Short-term loans and advances	15	1,924.43	1,609.99
(f) Other current assets	16	45.76	32.71
Total		16,126.38	13,043.49

Contingent Liabilities and Commitments

27.1

Significant Accounting Policies and Other Notes on Financial Statements

25-27

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Singhi & Co.,

Chartered Accountants

Firm Registration No: 302049

Bimal Kumar Siani

Partner

Membership Number: 088921

Place: Noida (Delhi-NCR)

Date: September 29, 2022



For and on Behalf of the Board of Directors

Manoj Kedia

Managing Director

DIN: 03526814

Saurabh Lohia

Director

DIN: 03087080

Vijay Yadav

Company Secretary

Anup Kumar Singh

Chief Financial Officer

M/S KANODIA INFRATECH LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2022
CIN:U74900UP2010PLC039750

(₹ in Lakhs, except EPS)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	17	18,223.37	19,386.67
II Other income	18	116.08	42.11
III Total revenue (I+II)		18,339.45	19,428.78
IV EXPENSES:			
Cost of materials consumed	19	11,950.95	12,991.19
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(77.72)	-
Employee benefits expense	21	448.84	461.47
Finance costs	22	61.84	-
Depreciation and amortisation expense	23	588.09	331.63
Other expenses	24	1,558.73	4,718.39
Total expenses		14,530.74	18,502.69
V Profit before tax (III-IV)		3,808.71	926.08
VI Tax expense:			
(1) Current Tax			
- Current year		892.75	-
- Related to earlier years		-	1.03
(2) Deferred Tax Charge/(Credit) (Net)	4		
- Current year		86.61	114.88
- Related to earlier years		784.93	-
VII Profit for the year (V-VI)		2,044.43	810.18
Earning per equity share of ₹ 100/- each	27.2		
- Basic		144.74	57.36
- Diluted		144.74	57.36

Significant Accounting Policies and Other Notes on Financial Statements

25-27

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For Singhi & Co.

Chartered Accountants

Firm Registration No: 302049E

Bimal Kumar Sipani

Partner

Membership Number: 088926

Place: Noida (Delhi-NCR)

Date: September 29, 2022



For and on Behalf of the Board of Directors

Manoj Kedia

Managing Director

DIN: 03526814

Saurabh Lohia

Director

DIN: 03087080

Vijay Yadav

Company Secretary

Anup Kumar Singh

Chief Financial Officer

M/S KANODIA INFRATECH LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022
CIN:U74900UP2010PLC039750

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	3,808.71	926.08
Adjustments for:		
Depreciation and amortization expense	588.09	331.63
Finance costs	61.84	-
Government subsidy income	(1,451.72)	(2,151.51)
Interest income	(33.77)	(12.98)
Operating profit before working capital changes	2,973.15	(906.78)
Adjustments for :		
Trade and other receivables	(1,908.39)	6,079.46
Inventories	20.48	(26.07)
Trade and other payables	(343.72)	3,363.32
Cash generated from operations	741.52	8,509.93
Direct taxes paid	(21.77)	(108.38)
Net cash inflow / (outflow) from operating activities	719.75	8,401.55
B. Cash flow from investing activities		
Purchase of property, plant & equipments	(41.97)	(0.41)
Loans given to related parties	(9,901.97)	(6,446.11)
Loans refunded back from related parties	8,171.99	6,446.11
Government subsidy received	1,483.82	4,229.05
Interest Received	14.58	16.05
Net cash inflow / (outflow) from Investing activities	(273.55)	4,244.69
C. Cash flow from financing activities		
Loans received from related parties	4,572.24	5,167.93
Loans refunded back to related parties	(4,914.34)	(17,820.43)
Finance costs paid	(61.84)	-
Net cash inflow / (outflow) from financing activities	(403.94)	(12,652.50)
Net increase/(decrease) in cash and cash equivalents (a + b + c)	42.26	(6.26)
Opening balance of cash and cash equivalents	21.84	28.10
Closing balance of cash and cash equivalents	64.10	21.84
Cash and cash equivalents comprise :		
Cash in hand	2.03	0.07
Balance with Schedule Banks :		
In current accounts	62.07	21.77

Note : The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3- Cash Flow Statement.

As per our Report of even date attached

For SINGHI & CO.

Chartered Accountants

Firm Reg. No. 302049E

Bimal Kumar Sipani

Partner

M.No. 088926



For and on Behalf of the Board of Directors

Manoj Kedia
Managing Director
DIN: 03526814

Saurabh Lohia
Director
DIN: 03087080

Vijay
Vijay Yadav
Company Secretary

Anup Singh
Anup Kumar Singh
Chief Financial Officer

Place: Noida (Delhi-NCR)

Date: September 29, 2022

M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

1 Share Capital

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Authorised			
20,35,607 (Previous year 20,35,607) Equity Shares of ₹ 100 each		2,035.61	2,035.61
		2,035.61	2,035.61
Issued, subscribed and fully paid up			
14,12,507 (Previous year 14,12,507) Equity Shares of ₹ 100 each fully paid-up		1,412.51	1,412.51
		1,412.51	1,412.51
a) Reconciliation of number of Equity Shares Outstanding		Nos	Nos
Number of shares at the beginning of the year		14,12,507	14,12,507
Add : issued during the year		-	-
Number of shares at the end of the year		14,12,507	14,12,507

b) Rights, preferences and restrictions attached with Equity Shares

The Company has only one class of equity shares having par value of ₹ 100 per share. Each holder of equity shares is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Equity share held by the holding company

Shareholder's Name	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held (Nos)	Percentage of Holding	No. of Shares held (Nos)	Percentage of Holding
Kanodia Cement Limited [Holding Company w.e.f 29.09.2021]	13,98,461	99.01%	2,20,500	15.61%

d) Details of shareholders' holding more than 5% shares in the company (as per shareholders' register maintained by the Company)

Shareholders' Name	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held (Nos)	Percentage of Holding	No. of Shares held (Nos)	Percentage of Holding
Vishal Kanodia ^	-	-	2,74,585	19.44%
Vishal Kanodia (HUF) ^	-	-	2,73,130	19.34%
Gautam Kanodia	-	-	2,13,804	15.14%
Khushboo Kanodia ^	-	-	1,59,869	11.32%
Swati Kanodia	-	-	1,49,350	10.57%
Manju Devi Kanodia ^	-	-	1,21,269	8.59%
Kanodia Cement Limited [Holding Company w.e.f 29.09.2021]	13,98,461	99.01%	2,20,500	15.61%

^ shareholding less than 5% as at March 31, 2022

e) Details of promoters' share holding

Shareholders' Name	As at March 31, 2022			As at March 31, 2021		
	No. of Shares held (Nos)	Percentage of Holding	% change during the year	No. of Shares held (Nos)	Percentage of Holding	% change during the year
Kanodia Cement Limited	13,98,461	99.01%	83.40%	2,20,500	15.61%	-
Vishal Kanodia (HUF)	3,526	0.25%	-19.09%	2,73,130	19.34%	-
Vishal Kanodia	3,500	0.25%	-19.19%	2,74,585	19.44%	-
Khushboo Kanodia	3,500	0.25%	11.07%	1,59,869	11.32%	-
Manju Devi Kanodia	3,500	0.25%	-8.34%	1,21,269	8.59%	-
Gautam Kanodia	-	0.00%	-15.14%	2,13,804	15.14%	-
Swati Kanodia	-	0.00%	-10.57%	1,49,350	10.57%	-

f) Bonus, buy back, cancellation and issue of shares

In preceding five years, there was no issue of bonus shares, buy back of shares, cancellation of shares and issue of shares for other than cash consideration.



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

2 Reserves and Surplus

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(i) Surplus in the Statement of Profit and Loss			
Balance brought forward from previous year		3,778.88	2,968.70
Add: Profit for the year		2,044.43	810.18
Balance as at the end of the year		5,823.31	3,778.88
Total Reserves and Surplus		5,823.31	3,778.88

3 Long-term Borrowings

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Unsecured			
Term Loans:			
(i) From a Company	3.1	-	342.10
(i) From a Company [interest free]	3.2	155.00	155.00
Grand Total (A) + (B)		155.00	497.10
Less: Current maturities disclosed under head "Short term borrowings"		-	-
Net Total		155.00	497.10

3.1 Loans are repayable in financial year 2025-26 not beyond March 31, 2026.

3.2 Loans are repayable in financial year 2023-24 not beyond March 31, 2024.

4 Deferred Tax Liabilities/(Assets) (Net)

The Company has recognised following deferred tax assets and liabilities determined on account of timing differences in accordance with Accounting Standard 22 "Accounting of Taxes on Income".

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities on account of :			
Depreciation and amortisation expenses	4.1	1,099.60	217.96
Deferred Tax Assets on account of :			
Expenses allowed on payment basis	4.1	10.10	-
Net deferred tax liability /(assets) [(a)-(b)]		1,089.50	217.96

4.1 The Company has recomputed deferred tax for earlier years and error for ₹ 784.93 Lakhs in determination of deferred tax liability on depreciation and amortisation has been shown separately in Statement of Profit and Loss in current year.



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

5 Long Term Provisions

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Employees Benefit	27.7	19.40	-
Total		19.40	-

6 Trade Payable

Particulars	Note	As at March 31, 2022	As at March 31, 2021
For Goods & Services	6.1		
Total outstanding due to Micro and Small Enterprises	6.2	0.57	-
Total outstanding due to other than Micro and Small Enterprises			
- to a Related Party	27.6	66.26	1,152.88
-to Others		1,810.95	1,037.02
Total		1,877.78	2,189.90

6.1 Certain trade payables are subject to reconciliation and confirmations.

6.2 Based on the information available, as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). Disclosures relating to dues of Micro and Small enterprises under section 22 of MSMED Act, are given below:

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Principal amount and interest remained unpaid to any supplier as on		
- Principal amount remained unpaid to any supplier as on	-	-
- Interest remained unpaid to any supplier as on	0.57	-
(b) Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(c) the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	0.57	-
(d) the amount of interest accrued and remaining unpaid.	-	-
(e) 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Trade payable ageing as at March 31, 2022

Particulars	Outstanding for following year from accounting date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	0.57	-	-	-	0.57
(ii) Others	699.88	922.19	213.70	6.85	34.59	1,877.21
(iii) Disputed- MSME	-	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-	-

Trade payable ageing as at March 31, 2021

Particulars	Outstanding for following year from accounting date					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	106.96	1,834.78	103.17	144.99	-	2,189.90
(iii) Disputed- MSME	-	-	-	-	-	-
(iv) Disputed- Others	-	-	-	-	-	-

7 Other Current Liabilities

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Employee emoluments		33.47	41.83
Statutory dues payable		291.27	286.23
Claim payable to a customer	27.1	4,559.87	4,559.88
Other Payables		0.05	59.20
Total		4,884.66	4,947.14

8 Short Term Provisions

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Employees benefits	27.7	11.47	-
Provision for tax (net)		852.75	-
Total		864.22	-



M/S KANODIA INFRA TECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

Note 9- Property, Plant & Equipments and Intangible Assets

S. NO	DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
		As at 31-03-2021	Additions/ Adjustments	Deduction/ Adjustments	As at 31-03-2022	As at 31-03-2021	Deduction/ Adjustments for the year	As at 31-03-2022	As at 31-03-2021
9.1	Property, Plant and Equipment								
	Land (Freehold)	471.85	41.97	-	513.82	-	-	513.82	471.85
	Buildings	1,828.06	-	-	1,828.06	263.87	95.12	1,469.07	1,564.19
	Plant & Machinery	9,412.13	-	-	9,412.13	2,028.52	437.78	6,945.83	7,383.61
	Furniture & fittings	42.66	-	-	42.66	11.76	4.05	26.85	30.90
	Motor Vehicles	83.56	-	-	83.56	57.39	9.92	16.24	26.16
	Computer & Data processing Units	9.96	-	-	9.96	4.24	3.29	2.43	5.72
	Electrical Installations & Equipments	386.74	-	-	386.74	164.35	36.74	185.65	222.39
	Sub Total	12,234.96	41.97	-	12,276.94	2,530.14	586.91	9,159.89	9,704.82
9.2	Intangible Assets								
	Computer Software	2.09	-	-	2.09	0.87	1.18	0.04	1.22
	Sub Total	2.09	-	-	2.09	0.87	1.18	0.04	1.22
	TOTAL (9A+9B)	12,237.06	41.97	-	12,279.03	2,531.01	588.09	9,159.93	9,706.04

S. NO	DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
		As at 31-03-2020	Additions/ Adjustments	Deduction/ Adjustments	As at 31-03-2021	As at 31-03-2020	Deduction/ Adjustments for the year	As at 31-03-2021	As at 31-03-2020
9.1	Property, Plant and Equipment								
	Land (Freehold)	471.85	-	-	471.85	-	-	471.85	471.85
	Buildings	1,828.06	-	-	1,828.06	205.98	57.89	1,564.19	1,622.08
	Plant & Machinery	11,018.27	0.41	1,606.55	9,412.13	1,807.57	445.94	7,383.61	9,210.61
	Furniture & fittings	42.66	-	-	42.66	7.71	4.05	30.90	34.95
	Motor Vehicles	83.56	-	-	83.56	47.47	9.92	26.16	36.09
	Computer & Data processing Units	9.96	-	-	9.96	2.45	1.78	5.72	7.50
	Electrical Installations & Equipments	386.74	-	-	386.74	127.61	36.74	222.39	259.13
	Sub Total	13,841.11	0.41	1,606.55	12,234.96	2,198.90	556.33	9,704.82	11,642.21
9.2	Intangible Assets								
	Computer Software	2.09	-	-	2.09	0.48	0.39	1.22	1.61
	Sub Total	2.09	-	-	2.09	0.48	0.39	1.22	1.61
	TOTAL (9A+9B)	13,843.20	0.41	1,606.55	12,237.05	2,199.38	556.72	9,706.04	11,643.82

Note :

(i) There were no revaluation carried out by the company during the years reported above.

(ii) All the title deeds of immovable properties are held in the name of the Company, except for the following for which title deed is not available with the Company :

Description of property	Gross carrying value (₹ Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held (i.e. dates of capitalisation provided in	Reason for not being held in the name of the Company
Freehold land	22.89				

Title deed not available



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

10 Long term loans and advances

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)			
Inter corporate loan to related party #	27.6	49.86	
Inter corporate loan to related party \$	27.6	1,693.00	3.00
Total		1,742.86	3.00

including interest accrued ₹ 12.88 Lakhs (Previous year ₹ nil).

\$ interest Rs. 124.21 Lakhs accrued on loan granted has been waived off during the year.

11 Other non current assets

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)			
Security deposits		198.40	198.40
Total		198.40	198.40

12 Inventories

(Valued at Lower of Cost and Net Realisable Value)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Raw materials		232.04	243.85
Work-in-progress		77.72	-
Stores and spares		9.28	42.55
Packing materials		65.98	119.10
Total		385.02	405.50

- 12.1** Inventories were not physically verified during the year and at end of the year and same have been considered on the basis of book quantity identified from derived method. The management do not expects any major deviation with the books records and physical stock.



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

13 Trade Receivables

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good)			
Receivable from other than related parties	13.1	2,605.88	1,066.01
Total		2,605.88	1,066.01

13.1 Trade receivables are subject to confirmation.

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding as at March 31, 2022 from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1 year - 2 year	2 year - 3 year	More than 3 years	
Undisputed - considered good	1,284.32	1,318.47	-	0.40	2.69	-	2,605.88
Undisputed - considered doubtful	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-

Trade receivables ageing schedule as at March 31, 2021

Particulars	Outstanding as at March 31, 2021 from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1 year - 2 year	2 year - 3 year	More than 3 years	
Undisputed - considered good	1,062.92	-	0.40	2.69	-	-	1,066.01
Undisputed - considered doubtful	-	-	-	-	-	-	-
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-

14 Cash and cash equivalents

Particulars	Note	As at March 31, 2022	As at March 31, 2021
Cash on hand		2.03	0.07
Balances with scheduled banks:			
- in current accounts		62.07	21.77
Total		64.10	21.84

15 Short term loans and advances

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Good)			
Advance recoverable in cash or in kind \$		155.62	88.25
Advance to vendors \$		1,044.22	746.81
Entry tax recoverable		5.49	5.49
Government subsidy receivable	15.1	575.27	607.38
Income tax refund receivable (Net)		143.83	162.06
Total		1,924.43	1,609.99

\$ subject to reconciliations.

- 15.1 Includes ₹ 74.98 Lakhs (previous year ₹ 74.98 Lakhs) recoverable under the Industrial Incentive Policy, 2011 ["IIP"] issued by the Government of Bihar for the period January 2019 to March 2019. The Government of Bihar has amended its IIP with retrospective effect from 01.07.2017 and based on the amendment the claim has been rejected. The Company has filed a writ petition with Hon'ble High Court of Patna, challenging the amendment with retrospective effect. The Company is confident of a favorable decision and therefore the same has been considered good for recovery.

16 Other current assets

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(Unsecured, Considered Good)			
Interest accrued		6.31	-
Prepaid expenses		7.49	1.66
Other receivables		31.96	31.05
Total		45.76	32.71



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

17 Revenue from operations

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products [Cement]		16,771.65	17,235.16
Other Operating Income			
- Government subsidy income		1,451.72	2,151.51
Net Revenue from Operations		18,223.37	19,386.67

18 Other Income

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Incentive received from a vendor		42.27	28.66
Interest income		33.77	12.98
Sundry balances written off		-	0.03
Other income (including scrap sales)		40.04	0.44
Total		116.08	42.11

19 Cost of materials consumed @

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Clinker		9,575.76	10,497.21
Others		1,504.72	1,724.49
Packing materials		870.47	769.49
Total		11,950.95	12,991.19

@ calculated from derived method.

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

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories as at end of the year			
Work-in-progress		77.72	-
Inventories as at beginning of the year			
Work-in-progress		-	-
(Increase) / decrease in inventories		(77.72)	-



M/S KANODIA INFRATECH LIMITED
NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lakhs)

21 Employees benefit expenses

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus		415.84	435.11
Gratuity		10.82	-
Contribution to provident and other funds		19.99	18.15
Staff welfare		2.19	8.21
Total		448.84	461.47

22 Finance costs

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on statutory dues		61.84	-
Total		61.84	-

23 Depreciation and amortization

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation and amortization		588.09	556.72
Adjustments [^]		-	(225.09)
Total		588.09	331.63

[^] In previous year (i.e. FY 20-21) waiver of ₹ 1607.55 was allowed by a plant and machinery supplier which has been adjusted with gross block of plant and machinery. Depreciation aggregating ₹ 225.09 Lakhs which was charged till March 31, 2020 on aforesaid waiver has been reversed and adjusted with depreciation for the year.

24 Other expenses

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Stores and spare parts consumed		164.84	162.84
Power and fuel		813.72	889.54
Packing and loading		40.27	47.18
Repair and maintenance			
-Plant and machinery		105.73	5.32
-Others		7.97	-
Rent		14.20	1.60
Rates and taxes		12.53	48.32
Insurance		0.03	0.90
Legal and professional		292.26	135.67
Directors' remuneration		2.16	2.91
Claim of a customer	27.1(A)(b)	-	3,355.36
Auditors Remuneration			
- For audit fee		5.00	1.50
CSR expenses	27.11	30.00	28.00
Donations		25.32	3.02
Miscellaneous		44.70	36.23
Total		1,558.73	4,718.39



M/S KANODIA INFRATECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

25 Corporate information

Kanodia Infratech Limited ('the Company') is a public limited company domiciled and incorporated in India. The registered office of the Company is at T-8, Aditya City Centre, Vaibhav Khand, Indirapuram, Ghaziabad, Uttar Pradesh (India) 201014. The Company has Cement grinding facilities having 1.2 million ton per annum at Bhabhua (Bihar), India. The Company is principally engaged in the manufacturing of Cement in India.

26 Significant Accounting Policies

a. Basis of Preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 read with the Companies (Accounting Standard) Rules, 2021, as amended and the relevant provisions of the Companies Act, 2013 under historical cost convention on accrual basis. Accounting policies not referred to otherwise are in accordance with generally accepted accounting principles in India.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise stated.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include provisions for doubtful debts and advances, future obligations under employee retirement benefit plans, useful lives of property, plant and equipment, contingencies, etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. Classification of Assets and Liabilities as Current and Non Current

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

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.



M/S KANODIA INFRATECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

d. Property, Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure on property, plant and equipment after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits and the expenditure can be measure and attributed to the asset reliably.

The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

e. Intangible Assets

Intangible Assets acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Subsequent expenditure on intangible asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits and the expenditure can be measure and attributed to the asset reliably. The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

f. Depreciation and amortization

Depreciation is calculated on Straight Line Method using the rates arrived at on the basis of estimated useful lives given in Schedule II of the Companies Act, 2013 except for the following which has been determined on the basis of technical evaluation.

SN	Assets	Useful life as per technical assessment	Useful life as per Companies Act, 2013
1.	Plant and Machinery	25 years [on double shift basis]	15 years [on single shift basis]
2.	Roads	10 years	3 years

Depreciation on addition to or on disposal of property, plant and equipments are calculated on pro rata basis. Addition to property, plant and equipments costing less than or equal to ₹ 5,000 are depreciated fully in the year of purchase. Leasehold land has been amortised over the lease period.

Amortisation of Intangible assets is allocated on a systematic basis over the best estimate of their useful life and accordingly software is amortised on straight line basis over useful life or five years, whichever is lower.

g. Borrowing Costs

Borrowing costs relating to acquisitions/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.



M/S KANODIA INFRATECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

h. Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized in the Statement of Profit and Loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment losses recognized in prior periods is recorded when there is an indication that the impairment losses, recognized for the assets, no longer exists or have decreased.

i. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. The Company provides for diminution other than temporary in the value of Non-Current Investments.

j. Inventories

Inventories are valued at lower of cost and net realisable value except waste/scrap which is valued at net realisable value. Cost of manufactured finished goods and work-in-progress is determined by taking cost of purchases, material consumed, labour and related overheads. Cost of materials are computed on FIFO basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

k. Revenue Recognition

(i) Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and to the extent that it is probable that economic benefit will flow to the Company and it can be reliably measured and is recognized when reasonable certainty about its realisation exists. Revenue is reported net of trade discount, sales returns and taxes on sales and in accordance with the terms of contracts entered into with the customers, if any.

(ii) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

l. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.



M/S KANODIA INFRATECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

m. Leases

Where the Company is the Lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

n. Change in Accounting Policy.

Employee Benefits

Till previous year, liability for gratuity and leave encashment were recognized at the time of payment. From current year the Company has changed its accounting policy to recognize liability for gratuity and leave encashment from payment basis to accrual basis in compliance with AS 15(R) "Employee Benefit". This has resulted into increase in employee benefit expense and provision for employee benefit by ₹ 21.63 lakhs and decrease in profit before tax for the year by ₹ 21.63 lakhs.

n. Employee Benefits

(i) All employee benefits payable wholly within 12 months of rendering service are classified as short term employee benefits. Benefits such as salaries, allowances, short term compensated absences are recognized in the period in which the employee renders the related service.

(ii) Contributions paid/payable to defined contribution plan comprising of provident fund is charged on accrual basis. The company makes monthly contribution and has no further obligations under the plan beyond its contributions.

(iii) Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The defined benefit/obligation is calculated at each balance sheet date by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

iv) As per leave policy of the Company, the accumulated leave is encashed to eligible employees at the time of retirement. The liability for accumulated leave, which is defined benefit scheme, is provided based on actuarial valuation at each balance sheet date, based on Projected Unit Credit, carried out by an independent actuary.



M/S KANODIA INFRATECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

o. Taxation

Tax expense comprises Current Tax and Deferred Tax. Current Tax are measured at the amount expected to be paid in accordance with Income tax Act, 1961. Deferred Taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets on items other than unabsorbed depreciation and carry forward tax losses, are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the Company has unabsorbed depreciation or carry forward tax losses, entire deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable income. At each balance sheet date the Company re-assesses deferred tax assets.

p. Foreign Exchange transactions

(i) Initial Recognition

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

(ii) Conversion

Outstanding foreign currency monetary items at year end are reported using the closing rate.

(iii) Exchange Difference

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

q. Government Grant/Subsidy

Subsidies from the Government are recognized when there is a reasonable assurance that (i) the Company will comply with the conditions attached to them and (ii) when there is no uncertainty on ultimate collection of such grant/ subsidy. Where a grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related assets. Other government grants or subsidies are credited to Statement of Profit and Loss or adjusted from related expenses.



M/S KANODIA INFRA TECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

r. Provisions, Contingent Liability and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made, as a contingent liability in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

s. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss (after Tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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.



M/S KANODIA INFRA TECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2022

(₹ in Lakhs)

27.1 Contingent liabilities & Commitments [to the extent identified by the management]		As at March 31, 2022	As at March 31, 2021
A.	Contingent Liabilities not provided for in respect of :		
a	Dispute regarding excise credit	137.77	137.77
b	Claim by a customer disputed by the company		
	- Principle amount	118.00	118.00
	- interest thereon	4,883.04	3,526.57
<p>A customer has filed a case against the Company for alleged breach of contractual terms which has been disputed by the Company before the Hon'ble High Court of Delhi. Based on the Hon'ble High Court of Delhi instruction matter was referred for arbitration. Arbitration award was passed on 09.03.2021 and the Company was held liable to pay principal sum of ₹ 4983.87 Lakhs and interest thereon @ 18% p.a. The Company has challenged the aforesaid matter before the Single Judge bench of the Hon'ble High Court which has been decided partly in the favour of the Company by set aside the award of ₹ 400 Lakhs on 08.11.2021. The Company has further challenged aforesaid arbitration award before the Double bench of Hon'ble High Court of Delhi. The Double bench of Hon'ble High Court has granted stay on the operation of the award till the matter is finally disposed off by the Court.</p> <p>Based on the opinion received by the Company, there are high probabilities of favourable decision. However, as an abandum caution, the Company has accounted for liability for principle amount aggregating ₹ 4559.88 Lakhs (including ₹ 94 lakhs arbitration costs) in earlier years. However, principle amount ₹ 118 lakhs and interest ₹ 4883.04 lakhs till March 31, 2022 will be accounted, if required, at the time of final order by the Hon'ble High Court of Delhi.</p>			
Note	The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position. The Company does not expects any payment in respect of the above contingent liabilities.		

B.	Capital commitments		-	
27.2	Earnings Per Share (EPS)			
		For the year ended March 31, 2022	For the year ended March 31, 2021	
	Profit attributable to Equity Shareholders	Rs. in Lakhs	2,044.43	810.18
	No of shares at the beginning of the year	Numbers	14,12,507	14,12,507
	Add: Issued during the year	Numbers	-	-
	No of shares at the end of the year	Numbers	14,12,507	14,12,507
	Weighted Average Number of Equity Shares	Numbers	14,12,507	14,12,507
	Basic Earnings Per Share of Rs. 100 each	Rs.	144.74	57.36
	Diluted Earnings Per Share of Rs. 100 each	Rs.	144.74	57.36

27.3 In the opinion of the Board of directors, any of the assets other than property, plant and equipments and intangible assets do not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

27.4 Assets taken under operating leases:

Office premise was obtained on operating lease. There is no contingent rent in the lease agreements. The lease term is for 11 months and are renewable at the mutual agreement of both the parties. The aggregate lease rentals accounted are charged as "Rent" in Note No. 24 of the financial statements.

27.5 Segment Reporting

The Company's activities falls with a single primary business segment viz "Cement". The business activity of the Company falls within one geographical segment which is within the country. Hence, the disclosure requirement of 'Segment Reporting' is not considered applicable.



M/S KANODIA INFRATECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

(₹ in Lakhs)

27.6 Related Party Disclosure (to the extent identified by the Company) :

In accordance with the requirements of Accounting Standard - 18 on "Related Party Disclosures" as referred in the Companies (Accounting Standard) Rules, 2021, related party transactions have been disclosed as identified and certified by management are as follows:

I. Name & Relationship of the of Related Parties

A Holding Company	M/s Kanodia Cement Limited (w.e.f. 29.09.2021)	
B Fellow Subsidiary Company	M/s Kanodia Cem Private Limited (w.e.f. 29.09.2021)	
C Key Management Personnel	Mr. Manoj Kedia	Managing Director
	Mr. Vishal Kanodia	Director
	Mr. Saurabh Lohia	Director
D Enterprises having significant influence of Key Management Personnel *	M/s Kanodia Cement Limited (till 28.09.2021)	
	M/s Kanodia Cem Private Limited (till 28.09.2021)	
	M/s Trends Advisory Pvt. Ltd.	
*where transactions has taken place during the period		
E Relatives of Key Management Personnel	Mr. Gautam Kanodia	Relative of Vishal Kanodia
	Manju Devi Kanodia*	Relative of Vishal Kanodia
	Shivani Kedia*	Relative of Manoj Kedia

II. The following transactions were carried out during the year in the ordinary course of business.

(₹ in Lakhs)

Related Party and Nature of Transactions		As at March 31, 2022	As at March 31, 2021
(a) Kanodia Cement Limited	Sale of goods	28.69	-
	Purchases of goods	1.00	484.84
	Supply of services	388.09	611.01
	Loan received during the year	4,572.24	5,167.93
	Loan refunded back *	4,914.34	11,115.46
	Loan given	8,208.97	4,571.11
	Loan returned back	8,171.99	4,571.11
	Interest received on loans [Net]	14.31	-

* Since the following Companies were merged with Kanodia Cement Limited therefore during the financial year 2020-21 Net outstanding loans aggregating ₹ 6289.58 Lakh (net of receivables ₹ 530.54 Lakhs) which were outstanding as on January 13, 2021 (effective date of merger), refunded/received back to/by M/s Kanodia Cement Limited.

- Maharaja Retailers Private Limited - ₹ 116.62 Lakhs (Payable)
- Rinam Trading Private Limited - ₹ 3068.60 Lakhs (Payable)
- Bluestar Cement Limited - ₹ 147.70 Lakhs (Receivables)
- Yevant Cement works Private Limited - ₹ 382.84 Lakhs (Receivables)
- Rinam Dealmark Private Limited - ₹ 3635.50 Lakhs (Payable)

Apart from above, interest ₹ 60.31 lakhs (net of receivable ₹ 14.04 Lakhs) accrued on loan borrowed (net) has been waived off in previous year.

(b) Kanodia Cem Private Limited	Supply of goods or services	5.12	-
	Loan given	1,693.00	1,875.00
	Loan received back	-	1,875.00
	Reimbursement of expenses	-	5.21
Apart from above, interest ₹ 124.21 lakhs accrued on loan borrowed has been waived off during the year.			
(c) Manoj Kedia *	Remuneration paid	2.15	2.91
(d) Khushboo Kanodia*	Remuneration paid	9.00	9.00
(e) Manju Kanodia*	Remuneration paid	9.00	9.00
(f) Shivani Kedia*	Remuneration paid	1.00	-

*excludes provision in respect of gratuity as the same is determined on an actuarial basis for company as whole.

III Closing Balances :

Particulars		As at March 31, 2022	As at March 31, 2021
(a) Kanodia Cement Limited	-Loan Receivable	36.98	-
	-Interest Receivable	12.88	-
	-Loan Payable	-	342.10
	-Trade Payable	66.26	1,152.88
(b) Kanodia Cem Private Limited	-Loan Receivable	1,693.00	-
	-Reimbursement Receivable	-	3.00
(c) Trends Advisory Pvt. Ltd.	-Payable	155.00	155.00
(d) Khushboo Kanodia	-Payable	0.67	0.76
(e) Manju Kanodia	-Payable	0.67	0.71



M/S KANODIA INFRATECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakh)

27.7 Employment Benefit

As per Accounting Standard 15 (R) "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee's salaries, in respect of qualifying employees towards Provident Fund which is a defined contribution plan. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards such contribution to Provident Fund for the year is included in "Employee benefits expense".

The Company has recognised the following amounts in the Statement of Profit and Loss :

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to Provident and Other funds	19.99	18.11

(b) Defined Benefit Plan (also refer note 26(n))

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following tables summarise the components of net benefit expense recognised in the Profit and Loss Statement and the funded status and amounts recognised in the balance sheet for the plan (based on Actuarial Valuation) : -

a) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

	For the year ended March 31, 2022
Opening defined benefit obligation	11.38
Current service cost	5.40
Interest cost	0.78
Benefits paid	-
Actuarial (gains) / losses on obligation	(6.74)
Closing defined benefit obligation	10.82



M/S KANODIA INFRATECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

b) **The Company has no plan assets.**

c) **A reconciliation of the present value of the DBO and the fair value of the plan assets to the assets recognised in the balance sheet:**

Present value of defined benefit obligation at the end of the period	10.82
Fair value of the plan assets at the end of the year	-
Asset/(Liability) recognized in the balance sheet	(10.82)

d) **The total expense recognised in the Statement of Profit and Loss:**

Current service cost	5.40
Interest cost	0.78
Expected return on plan assets	-
Actuarial (gains)/loss	(6.74)
Net benefit expense	(0.56)
Actual return on plan assets	NIL

e) **The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

Investments with insurer	Not Applicable
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f) **Following are the principal actuarial assumptions used as at the balance sheet date:**

Discount rate	6.81%
Expected rates of return on any plan assets	Not Applicable
Average Salary escalation rate	8.00%
Average remaining working life of the employees(years)	5.00%

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

g) **Disclosure under para 120(n) amounts for the current and previous four periods are as follows:**

Present Value of obligation at the end of the year	10.82
Fair value of plan assets at the end of the year	-
Funded Status	(10.82)
Actuarial Gain/(loss) in PBO	(6.74)
Actuarial (gain)/loss for the year-Plan Assets	Not Applicable

h) **Expected contributions for the next financial year :**

Expected contributions for the next financial year	-
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M/S KANODIA INFRATECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

i) Actuarial Valuation Assumptions

The Principal actuarial assumptions considered in the valuation were :

Economic Assumptions : The discount rate and salary increase rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate : The discounting rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

Salary Escalation Rate : The salary escalation rate usually consists of at least three components, viz. regular increments, price inflation and promotional increases. In addition to this any commitments by the management regarding future salary increases and the Company's philosophy towards employee remuneration are also to be taken into account. Again, a long-term view as to the trend in salary escalation rates has to be taken rather than being guided by the escalation rates experienced in the immediate past, if they have been influenced by unusual factors.

Attrition Rate / Withdrawal Rate : Past experience indicates the current level of attrition. The assumption must incorporate the company's policy towards retention of employees, historical data & industry outlook.

Mortality Rate : Mortality Table (IAM) 2012-2014, as issued by Institute of Actuaries of India.

27.8 Other disclosures

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a. Expenditure in foreign currency (accrual basis)	-	-
b. Earnings in foreign currency (accrual basis)	-	-
c. Value of imports calculated on CIF basis	-	-
d. Derivative instruments and unhedged foreign currency exposure	-	-

27.9 Imported and indigenous raw materials, components and spare parts consumed

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	₹ in Lakhs	% of total consumption	₹ in Lakhs	% of total consumption
a. Raw Materials and Packing Materials				
Imported	-	-	-	-
Indigenous	11,950.95	100.00	12,991.19	100.00
Total	11,950.95	100.00	12,991.19	100.00
b. Stores and spares				
Imported	-	-	-	-
Indigenous	164.84	100.00	162.84	100.00
Total	164.84	100.00	162.84	100.00



M/S KANODIA INFRATECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH' 2022

(₹ in Lakhs)

27.10 Ratios and their elements as per the requirements of Schedule III to Companies Act 2013

	Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reasons of Change
i	Current Ratio (Times)	Current Asset	Current Liability	0.66	0.44	49.95%	due to repayment of liabilities
ii	Debt-Equity Ratio (Times)	Total Debt	Shareholder Equity	0.02	0.10	-77.63%	due to repayment of loans
iii	Debt Service Coverage Ratio	EBITDA	Debt Service	Not applicable	Not applicable	Not applicable	
iv	Return on Equity Ratio	Profit after tax	Average Shareholder Equity	28%	16%	81.05%	Due to increase in profit
v	Inventory turnover ratio (Times)	Cost of goods sold	Average Inventory	0.03	0.03	3.21%	
vi	Trade Receivables turnover ratio (Times)	Net Credit Sales	Average Trade Receivables	6.99	18.19	-61.55%	Due to increase in trade receivable
vii	Trade payables turnover ratio (Times)	Net Credit Purchases	Average Trade Payables	0.32	0.33	-4.24%	
viii	Net capital turnover ratio (Times)	Net Sales	Average Working Capital	-7.01	-4.85	44.57%	Due to decrease in turnover
ix	Net profit ratio	Net Profit after Tax	Net Sales	11.22%	4.18%	168.45%	Due to increase in turnover and profit
x	Return on Capital employed	Earning before interest and tax	Capital Employed	45.64%	15.68%	191.04%	Due to increase in profit
xi	Return on investment			Not applicable	Not applicable	Not applicable	

27.11 Corporate Social Responsibility (CSR)-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent during the year	29.31	25.86
Amount spent during the year	30.00	28.00
(Excess) / Shortfall for the year	(0.69)	(2.14)
Total of previous years shortfall (net)	-	-
Excess amount spent shall be set off against subsequent years obligation	0.69	-
Details of related party transactions such as Contribution to trust controlled by the company	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year should be shown separately	-	-
Nature of CSR activities:	-	-
A) Plantation and prevention of environment pollution	30.00	-
B) Ensuring environmental sustainability, ecological balances	-	28.00
Reason for shortfall	Not Applicable	Not Applicable

27.12 The Company has passed various special resolutions to increase limits u/s 180(1)(a), 180(1)(c), 185 and 186 of the Companies Act, 2013 during the year. However these special resolutions were not filed with registrar of companies till September 28, 2022. The Company will regularise these delays in due course.

27.13 Registration of Charges or satisfaction with Registrar of Companies (ROC)

The following charges were remained outstanding for satisfaction :

Assets under charge	Banker / Lender Name	Date of Creation	Date of Modification	Amount (₹ Lakhs)	Remarks
Book debts; floating charge; movable property (not being pledge); as per deed of hypothecation	OCL India Limited	17/03/17	-	2,500.00	NOC is awaited from lender.
Movable property (not being pledge)	HDFC Bank Limited	23/06/16	-	1,000.00	NOC is awaited from lender.
Book debts; floating charge; movable property (not being pledge); stock and fixed deposits/ cash deposits.	HDFC Bank Limited	23/06/16	-	1,000.00	NOC is awaited from lender.



M/S KANODIA INFRATECH LIMITED
OTHER NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

27.14 Compliance with approved scheme of arrangements

There was no scheme of arrangement were filed during the year and previous year.

27.15 Details of benami property held

There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

27.16 Willful defaulter

The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

27.17 Relationship with struck off companies

During the year, the Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013.

27.18 Compliance with number of layers of companies

The Company has no subsidiary, therefore clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable on the Company.

27.19 Utilisation of borrowed funds and share premium

During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

27.20 Undisclosed income

The Company does not have any transactions 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).

27.21 Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

27.22 Others

i. The Company does not have any CWIP and Intangible asset under development.

ii. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group has no CIC as part of the Group.




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- 28 Previous year figures and opening balances have been considered as per accounts audited by previous year auditor. Previous year figures have been regrouped / rearranged wherever necessary to conform current year figure.

For and on behalf of Board of Directors

As per our Report of even date attached
For SINGHI & CO.
Chartered Accountants
Firm Reg. No. : 302049E


Bimal Kumar Sipani
Partner
Membership No. 088926

Place : Noida (Delhi-NCR)
Date: September 29, 2022




Manoj Kedia
Managing Director
DIN: 03526814


Vijay Yadav
Company Secretary


Saurabh Lohia
Director
DIN: 03087080


Anup Kumar Singh
Chief Financial Officer