

**INDEPENDENT AUDITORS' REPORT**

To  
The Members,  
**KAY JAY FORGINGS LIMITED**  
CIN No.: U74899DL1983PLC029298  
Regd. Office: A-8, Maya Puri, Industrial Area Phase-I,  
NEW DELHI.

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **KAY JAY FORGINGS LIMITED (Formerly known Kay Jay Forgings Private Limited) ('the Company')**, which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including the statement of Other Comprehensive Income, Cash flow statement and the statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

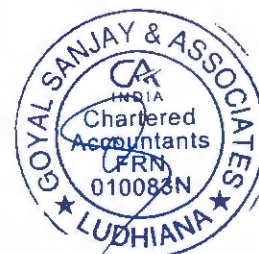
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid accompanying financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting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

**Basis for Opinion**

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

**Emphasis of Matter**

We draw attention to Note 49 of the accompanying financial statements, which describes that the Company has, adopted the Straight Line Method (SLM) of depreciation, replacing the previously followed Written Down Value (WDV) method (except Depreciation on fixed assets of Unit-III and Plant & Machinery of other units installed from 01.04.2002 onwards as it was already on Straight Line Method).



This change in accounting estimate has been made with effect from April 01, 2024, and management believes that the new method more appropriately reflects the pattern of consumption of the economic benefits associated with the assets.

The change has been applied prospectively and the impact of this change on the financial statements for the year ended March 31, 2025 has been disclosed in the said note.

Our opinion is not modified in respect of this matter.

Further, We draw attention to Note 50 of the accompanying financial statements, which describes that the Company has prepared its financial statements in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, for the first time for the year ended March 31, 2025, with a transition date of April 01, 2022 in accordance with Ind AS 101 – *First-time Adoption of Indian Accounting Standards*.

As stated in the said note, these are the Company's first financial statements prepared in accordance with Ind AS, and the corresponding figures for the previous year have been restated accordingly.

Our opinion is not modified in respect of this matter.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### **Information other than the financial statements and auditors' report thereon**

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

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

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

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



### **Management's Responsibility for the Accompanying Financial Statements**

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

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

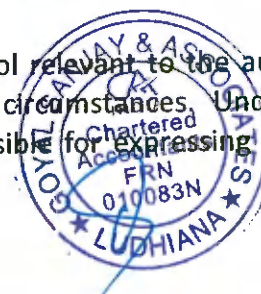
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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 scepticism 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the



company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

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, to the extent applicable.

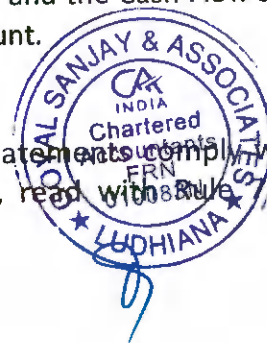
#### **2. As required by Section 143(3) of the Act, we report that:**

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph h(vi) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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 IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 8 of the Companies



(Accounts) Rules with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time and other accounting principles generally accepted in India.

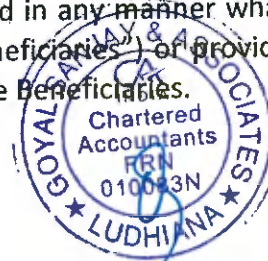
e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

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

g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

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

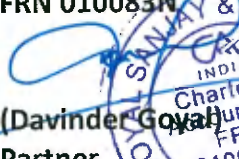
- i. The Company has disclosed the impact of pending litigations on its financial position in its accompanying financial statements- Refer Note 38 to the accompanying financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts 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 its 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(c) Based on such audit procedures that we 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 misstatement.

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For GOYAL SANJAY & ASSOCIATES,  
Chartered Accountants  
FRN 010083N**

  
**(Davinder Goyal)  
Partner  
M.N. 091278**



**Dated: 13.08.25**

**Place: Ludhiana**

**UDIN:**

**25091278 DMGZKX3369**

## Annexure A to Independent Auditors' Report

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of **KAY JAY FORGINGS LIMITED** on the financial statements as of and for the year ended March 31, 2025

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) Based on our examination of the registered sale deeds/ transfer deeds/ conveyance deeds provided to us, we report that immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year ended March 31, 2025. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding Benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

iii. (a) During the year, the Company has not provided loans/advances of the nature of loans, or stood guarantee, or provided security to any other entity;



(b) The investments made during the year are not prejudicial to the Company's interest;

(c) During the year the Company has not granted any loans or advances in nature of loans.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. In respect of investments made by the Company during the year, provisions of section 185 and 186 of the Companies Act have been complied with;

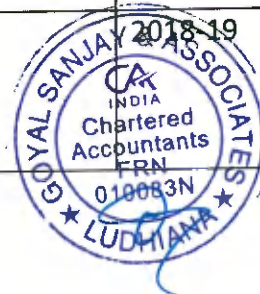
v. The company has accepted deposits during the year, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with;

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.(a) The Company is regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, except detail as under:-

Name of the Statute	Nature of the Dues	Demand (Rs. In Lakhs)	Amount Deposited (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Goods & Services Tax Act, 2017	Mismatch ITC in GSTR-3B, GSTR 2A and GSTR 9	0.87	0.03	2018-19	Central Appellate Authority GST



Note: Income Tax Portal Showing Total Demand of Rs. 27.99 Lakhs relating to AY 2008-09, 2009-10 & 2010-11. As per management, the same is not payable. Company is following up with Income Tax Dept. for its rectification.

viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained

(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 have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses ix(e) are not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses ix(f) are not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x) (a) of the Order is not applicable to the Company.

(b) The company has not made preferential allotment or private placement of shares during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud 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.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the



information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(e) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

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

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, clauses xvi (d) are not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

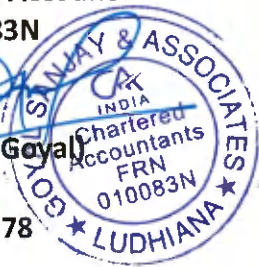


xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

**For GOYAL SANJAY & ASSOCIATES,  
Chartered Accountants  
FRN 010083N**

**(Davinder Goyal)**  
Partner  
M.N. 091278



**Dated: 13.08.25  
Place: Ludhiana**

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of **KAY JAY FORGINGS LIMITED** ("the Company") as of 31 March 2025 in conjunction with our audit of the accompanying financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For GOYAL SANJAY & ASSOCIATES,  
Chartered Accountants  
FRN 010083N**

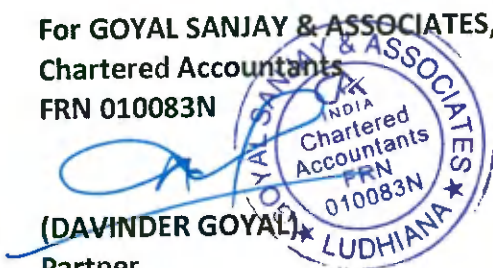
**(DAVINDER GOYAL)**

**Partner**

**M.N. 091278**

**Dated: 13.08.25**

**Place: Ludhiana**



**KAY JAY FORGINGS LIMITED**

(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)

CIN: U74899DL1983PLC029298

(All amounts in INR lakhs, unless otherwise stated)

**BALANCE SHEET AS AT MARCH 31, 2025**

PARTICULARS	Note No.	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
<b>A. ASSETS</b>				
(1) Non-Current Assets				
Property, Plant and Equipment	2.1	18,561.68	15,508.12	13,035.50
Intangible Assets	2.2	21.19	25.38	31.18
Capital Work in Progress	2.3	1,132.19	108.17	664.38
Right of Use Assets	2.4	42.31	55.26	67.83
		<b>19,757.37</b>	<b>15,696.92</b>	<b>13,798.88</b>
Financial Assets				
(i) Non Current Investments	3	25.05	22.60	13.88
(ii) Other Financial Assets	4	414.77	337.04	284.62
(iii) Lease Receivables	5	-	-	22.99
		<b>439.83</b>	<b>359.63</b>	<b>321.49</b>
Other Non Current Assets	6	494.73	1,933.72	3,827.89
<b>Total Non-Current Assets</b>		<b>20,691.93</b>	<b>17,990.28</b>	<b>17,948.27</b>
(2) Current Assets				
Inventories	7	10,408.83	8,978.05	7,480.08
Financial Assets				
(i) Trade Receivables	8	5,471.14	4,577.39	4,448.73
(ii) Cash and Cash Equivalents	9	738.69	2,466.86	1,899.07
(iii) Other Balances with Banks	10	4.76	4.56	4.36
(iv) Short-term Loans and Advances	11	196.17	227.63	406.08
(v) Lease Receivables	5	-	22.99	21.23
(vi) Other Financial Assets	4	110.68	51.77	28.09
Other Current Assets	12	640.94	498.30	485.79
<b>Total Current Assets</b>		<b>17,571.21</b>	<b>16,827.55</b>	<b>14,773.42</b>
<b>TOTAL ASSETS</b>		<b>38,263.14</b>	<b>34,817.83</b>	<b>32,722.00</b>
<b>B. EQUITY AND LIABILITIES</b>				
(1) EQUITY				
Equity Share Capital	13	143.67	143.67	143.67
Other Equity	14	16,143.38	13,273.48	10,900.76
<b>Total Equity</b>		<b>16,287.06</b>	<b>13,417.16</b>	<b>11,044.44</b>
<b>LIABILITIES</b>				
(2) Non-Current Liabilities				
Financial Liabilities				
(i) Borrowings	15	5,516.56	7,097.68	8,247.74
(ii) Lease Liabilities	16	36.29	45.55	33.86
Deferred Tax Liabilities (net)	17	152.15	188.57	287.44
Long-term Provision - Gratuity	18	191.60	156.33	250.82
<b>Total Non-Current Liabilities</b>		<b>5,896.62</b>	<b>7,488.13</b>	<b>8,819.86</b>
(3) Current Liabilities				
Financial Liabilities				
(i) Borrowings	19	4,671.73	4,039.53	5,983.78
(ii) Trade Payables :-	20			
(A) Total Outstanding Dues of Micro and Small Enterprises		1,013.82	994.45	396.01
and				
(B) Total Outstanding Dues of Creditors Other than Micro and Small Enterprises		4,918.07	5,018.67	3,838.32
(iii) Lease Liabilities	16	9.34	12.19	37.58
(iv) Other Financial Liabilities	21	2,493.40	988.98	483.23
Other Current Liabilities	22	2,240.62	2,147.94	1,577.28
Short-term Provisions	23	732.49	710.78	541.19
<b>Total Current Liabilities</b>		<b>16,079.47</b>	<b>13,912.54</b>	<b>12,857.39</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>38,263.14</b>	<b>34,817.83</b>	<b>32,722.00</b>
Corporate Information & Material Accounting Policies	1			

The Notes referred to above form an integral part of the Financial Statements  
As per our report of even date

For Goyal Sanjay & Associates  
Chartered Accountants  
FRN 010083N

(Davinder Goyal)  
Partner  
M.N. 091278

For and on behalf of the Board of Directors  
KAY JAY FORGINGS LIMITED

(Gopal Krishan Kothari)  
Managing Director  
DIN: 00026734

(Naveen Behl)  
Whole-Time Director  
DIN: 01322486

Place : Ludhiana

Date : 13/8/25

UDIN:

25091278 RMC7KX2211

(Ashok Bansal)  
Chief Financial Officer

(Amit Verma)  
Company Secretary &  
Compliance Officer

**KAY JAY FORGINGS LIMITED**

(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)

CIN: U74899DL1983PLC029298

(All amounts in INR lakhs, unless otherwise stated)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED March 31, 2025**

PARTICULARS	Note No.	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>A. INCOME</b>				
Revenue from Operations	24	75,046.39	67,231.64	60,269.23
Other Income	25	174.75	325.92	216.21
<b>TOTAL INCOME (A)</b>		<b>75,221.14</b>	<b>67,557.56</b>	<b>60,485.44</b>
<b>B. EXPENSES:</b>				
Cost of Materials Consumed	26	40,282.12	37,944.67	35,102.50
Purchases of Stock-in-Trade		-	-	-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(638.87)	(1,465.51)	(324.88)
Employee Benefits Expense	28	10,646.22	9,328.77	8,046.87
Finance Costs	29	1,214.12	1,326.41	1,208.77
Depreciation and Amortisation Expense	30	2,299.59	2,427.19	2,134.26
Other Expenses	31	17,607.25	14,952.73	12,436.30
<b>TOTAL EXPENSES (B)</b>		<b>71,410.43</b>	<b>64,514.26</b>	<b>58,603.82</b>
Profit/(Loss) before Exceptional and Extraordinary items and Tax		3,810.71	3,043.30	1,881.62
Exceptional Items		-	-	-
Profit/(Loss) before extraordinary items and tax		3,810.71	3,043.30	1,881.62
Extraordinary Items		-	-	-
<b>PROFIT/ (LOSS) BEFORE TAX (C= A-B)</b>		<b>3,811</b>	<b>3,043</b>	<b>1,882</b>
Tax expense:	33			
Current Tax		950.00	725.00	610.00
Deferred Tax		(40.75)	(94.26)	(109.99)
Tax in respect of earlier years (Net of Provision W/Back)		-	-	0.31
<b>TOTAL TAX EXPENSE (D)</b>		<b>909.25</b>	<b>630.74</b>	<b>500.32</b>
<b>PROFIT/(LOSS) FOR THE YEAR (E = C-D)</b>		<b>2,901.46</b>	<b>2,412.55</b>	<b>1,381.30</b>
Other Comprehensive Income (OCI)				
A (i) Items that will not be reclassified to profit and loss				
(a) Remeasurement gain/ (loss) on defined employee benefit plans		(27.22)	(44.45)	(26.11)
(ii) Income tax expenses/(benefits) related to items that will not be reclassified to profit or loss		(4.34)	4.61	4.65
Other Comprehensive Income/(Loss)		(31.56)	(39.83)	(21.46)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>2,869.90</b>	<b>2,372.72</b>	<b>1,359.84</b>
Earnings per share: (in ₹)				
Nominal Value ₹10/- per share	34			
(1) Basic		201.95	167.92	96.14
(2) Diluted		201.95	167.92	96.14

The Notes referred to above form an integral part of the Financial Statements  
As per our report of even date

For Goyal Sanjay & Associates  
Chartered Accountants  
FRN 010083N

For and on behalf of the Board of Directors  
KAY JAY FORGINGS LIMITED

(Davinder Goyal)  
Partner  
M.N. 091278

(Gopal Krishan Kothari)  
Managing Director  
DIN: 00026734

(Naveen Behl)  
Whole-Time Director  
DIN: 01322486

Place : Ludhiana

Date :

UDIN:

(Ashok Bansal)  
Chief Financial Officer

(Amit Verma)  
Company Secretary &  
Compliance Officer

25091278BMGZKX3369

**KAY JAY FORGINGS LIMITED**

(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)

CIN No.: U74899DL1983PLC029298

(All amounts in INR lakhs, unless otherwise stated)

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

S.No.	PARTICULARS	For the Year Ended	For the Year Ended	For the Year Ended
		31.03.2025	31.03.2024	31.03.2023
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	PROFIT BEFORE TAX	3,810.71	3,043.30	1,881.62
	Adjustment for :			
	Depreciation	2,299.59	2,427.19	2,134.26
	Interest Paid	1,214.12	1,326.41	1,208.77
	Interest Income	(136.71)	(248.44)	(210.37)
	(Gain)/Loss in Fair Value of Investment	(0.39)	(8.72)	(1.38)
	Actuarial Loss	(27.22)	-	-
	(Gain)/Loss on Lease Modification	-	(2.99)	-
	Unrealised (Gain)/Loss on Derivative Instruments	-	(22.51)	80.44
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>7,160.09</b>	<b>6,514.24</b>	<b>5,093.36</b>
	<b>Working capital adjustments:</b>			
	Trade Receivables	(893.75)	(129.25)	595.59
	Inventories	(1,430.78)	(1,497.96)	(647.38)
	Short Loans & Advances	31.46	144.11	1,805.12
	Change in Financial Assets & Other Current Assets	(256.29)	18.46	15.20
	Change in Financial Liabilities	1,504.41	(13.69)	(3.71)
	Short-Term Borrowings & Other Payables	700.65	976.28	1,557.48
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>6,815.79</b>	<b>6,012.18</b>	<b>8,415.65</b>
	Direct Taxes Paid (including TDS deducted from various income)	950.00	725.00	610.31
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>5,865.79</b>	<b>5,287.18</b>	<b>7,805.34</b>
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Purchase of Property, plant & Equipment, Intangible Assets, Right of use Asset & CWIP (Net of Sales)	(6,360.04)	(4,325.36)	(3,942.99)
	(Increase)/Decrease in Non Current Assets & Investments	1,436.92	1,830.84	(3,033.17)
	Interest Income	136.71	248.44	210.37
	<b>NET CASH FLOW/(USED IN) INVESTING ACTIVITIES</b>	<b>(4,786.41)</b>	<b>(2,246.09)</b>	<b>(6,765.79)</b>
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Proceeds from Long Term Borrowings (net)	(1,581.11)	(1,150.06)	1,927.06
	Interest Paid	(1,209.93)	(1,286.82)	(1,292.80)
	Lease Repayments (including interest)	(16.30)	(36.22)	(34.88)
	<b>NET CASH FLOW/(USED IN) FINANCING ACTIVITIES</b>	<b>(2,807.35)</b>	<b>(2,473.10)</b>	<b>599.38</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,727.96)</b>	<b>567.99</b>	<b>1,638.93</b>
	Cash and Cash Equivalents at the beginning of the year	2,471.42	1,903.43	264.50
	Cash and Cash Equivalents at the end of the year	743.46	2,471.42	1,903.43

For Goyal Sanjay & Associates  
Chartered Accountants  
FRN: 010083N

For and on behalf of the Board of Directors  
KAY JAY FORGINGS LIMITED

(Davinder Goyal)  
Partner  
M.N. 091278

(Gopal Krishan Kothari)  
Managing Director  
DIN: 00026734

(Naveen Behl)  
Whole-Time Director  
DIN: 01322486

Place : Ludhiana  
Date :

UDIN:

13/8/25

(Ashok Bansal)  
Chief Financial Officer

(Amit Verma)  
Company Secretary &  
Compliance Officer

25091278 BMCZK x3369

**KAY JAY FORGINGS LIMITED**

(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)

CIN: U74899DL1983PLC029298

(All amounts in INR lakhs, unless otherwise stated)

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025****A. EQUITY SHARE CAPITAL**

Particulars	No. of Shares	( Amount)
As at 1st April, 2022	143673	143.67
Changes in equity share capital	-	-
Sub-division of Rs.100/- to Rs.10/- face value per share during the year	1436730	-
As at 31st March, 2023	-	143.67
Changes in equity share capital	-	-
As at 31st March, 2024	1436730	143.67
Changes in equity share capital	-	-
As at 31st March, 2025	1436730	143.67

**B. OTHER EQUITY**

Particulars	Reserves & Surplus				Other Comprehensive Income	Total
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Remeasurement of net defined benefit liability/asset	
Balance as at 1st April, 2022	257.82	1.50	164.11	9117.50	-	9,540.92
Dividend paid during the year	-	-	-	-	-	-
Profit for the year	-	-	-	1381.30	-	1,381.30
Other comprehensive income/(Loss) for the year	-	-	-	-	(21.46)	(21.46)
Total comprehensive income for the year	-	-	-	1,381.30	(21.46)	1,359.84
Balance as at 31st March, 2023	257.82	1.50	164.11	10,498.80	(21.46)	10,900.76
Balance as at 1st April, 2023	257.82	1.50	164.11	10,498.80	(21.46)	10,900.76
Dividend paid during the year	-	-	-	-	-	-
Profit for the year	-	-	-	2412.55	-	2,412.55
Other comprehensive income/(Loss) for the year	-	-	-	-	(39.83)	(39.83)
Total comprehensive income for the year	-	-	-	2,412.55	(39.83)	2,372.72
Balance as at 31st March, 2024	257.82	1.50	164.11	12,911.35	(61.29)	13,273.48
Balance as at 1st April, 2024	257.82	1.50	164.11	12,911.35	(61.29)	13,273.48
Bonus Share Issued during the year	-	-	-	-	-	-
Profit for the year	-	-	-	2901.46	-	2,901.46
Other comprehensive income/(Loss) for the year	-	-	-	-	(31.56)	(31.56)
Total comprehensive income for the year	-	-	-	2,901.46	(31.56)	2,869.90
Balance as at 31st March, 2025	257.82	1.50	164.11	15,812.81	(92.85)	16,143.38

For Goyal Sanjay & Associates  
Chartered Accountants  
FRN 010083N

For and on behalf of the Board of Directors  
KAY JAY FORGINGS LIMITED

(Davinder Goyal)  
Partner  
M.N. 091278

(Gopal Krishan Kothari)  
Managing Director  
DIN: 00026734

(Naveen Bhatti)  
Whole Time Director  
DIN: 01322486

Place : Ludhiana  
Date :

13/8/25

(Ashok Bansal)  
Chief Financial Officer

(Amit Verma)  
Company Secretary & Compliance Officer

UDIN: 25091278BM4ZKX3369

## **KAY JAY FORGINGS LIMITED**

**(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)**

**CIN: U74899DL1983PLC029298**

### **Material Accounting Policies and Other Explanatory Information Forming Part of Financial Statements**

#### **1(A) Corporate Information**

**Kay Jay Forgings Limited** (hereinafter referred to as the Company) is a public Company domiciled in India. Earlier the Company was known as Kay Jay Forgings Private Limited.

The Company is mainly in business of manufacturing of engineering goods i.e. Forging, Auto Parts etc.

#### **1(B) Material Accounting Policies**

##### **(a) Basis of Preparation**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the financial statements. The Company adopted Indian Accounting Standards (IndAS) as prescribed under Section 133 of the Companies Act, 2013, w.e.f. April 1<sup>st</sup>, 2022.

These financial statements include Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows and Notes, comprising a summary of material accounting policies and other explanatory information and comparative information in respect of the preceding period.

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

- Derivative Financial Instruments
- Certain Other financial assets and financial liabilities which have been measured at fair value (refer Note 36 annexed to the financial statements)

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs (Rs.1,00,000) except wherever otherwise stated.

##### **(b) Use of Estimates and Judgments**

In preparing the financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/or results of operations. The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical



## **KAY JAY FORGINGS LIMITED**

***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***

**CIN: U74899DL1983PLC029298**

experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances.

Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

Areas involving critical estimates or judgements are:

- Recognition of deferred tax assets and liabilities- Note (r);
- Estimation of defined benefit obligation – Note (v);
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources – Note (l);
- Leases: whether an arrangement contains a lease, determination of lease term, measurement of Right of Use ("ROU") assets - Note (o);
- Fair value measurement for financial instruments – Note (d)

Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the restated consolidated financial information. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

### **(c) Current versus Non-Current Classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in IAS 1, "Presentation of financial statements".

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

- Expected to be 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 liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;



**KAY JAY FORGINGS LIMITED**

***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***

**CIN: U74899DL1983PLC029298**

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

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

**(d) Fair Value Measurement**

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

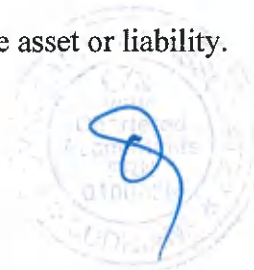
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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



## **KAY JAY FORGINGS LIMITED**

***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***

**CIN: U74899DL1983PLC029298**

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **(e) Foreign Currency**

#### **(i) Functional and Presentation Currency**

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

#### **(ii) Transactions and Balances**

Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

### **(f) Property, Plant and Equipment**

#### **Transition to Ind AS:**

For the transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2022 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date, except for Land for which fair value is considered as a deemed cost.

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

**KAY JAY FORGINGS LIMITED****(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)****CIN: U74899DL1983PLC029298**

Depreciation is recognised so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Type of Assets	Schedule II life (years)	Useful Lives*
Building –Factory	30	30
Building- others	60	60
Plant & Machinery	15	15
Computers	3	3
Office Equipment	5	5
Electrical Fittings & installations	10	10
Furniture & Fixtures	10	10
Vehicles	8	8

Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar asset.

Freehold land is not depreciated.

## **KAY JAY FORGINGS LIMITED**

***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***

**CIN: U74899DL1983PLC029298**

### **(g) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development". Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

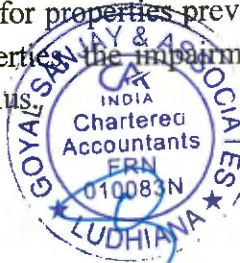
Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

<b>Type of Assets:</b>	<b>Type of Assets Schedule II life (years)</b>	<b>Useful Lives</b>
Software	6	5

### **(h) Impairment of Non-Financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties the impairment is recognised in OCI upto the amount of any previous revaluation surplus.



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After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

### **(i) Non-Current Assets Held for Sale**

The Company classifies non-current assets and disposal groups as 'Held for Sale' if their carrying amounts will be recovered principally through a sale rather than through continuing use and sale is highly probable i.e. actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and intangible assets once classified as held for sale are not depreciated or amortised.

### **(j) Earnings per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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### **(k) Cash and Cash Equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### **(l) Provisions Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

### **(m) Investment Property**

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

### **(n) Inventories**

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value. The basis of determining costs for various categories of inventories is as follows –

#### **Raw Materials**

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from

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government authorities, freight inwards and other expenditure directly attributable to the acquisition.

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

### **Stores & Spares and Consumables**

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

### **Work-In-Progress**

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

### **Traded Goods**

Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing to their present location and condition. Net realizable value is the estimated selling price, in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **(o) Leases**

#### ***(i) Company as a Lessee***

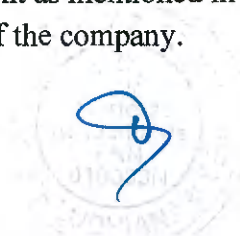
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **Right-of-Use Assets**

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.



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### **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### **Short Term Leases and Leases of Low Value of Assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### ***(ii) Company as a Lessor***

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Company has exercised judgement in determining the lease term as the non cancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.



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### **(p) Financial Instruments**

#### **(i) Initial Recognition**

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

#### **(ii) Financial Assets**

##### **Subsequent Measurement**

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

A financial asset that meets the following two conditions is measured at amortized cost.

-Business Model Test: The objective of company's business model is to hold the financial asset to collect the contractual cash flows.

- Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through OCI: -

-Business Model Test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

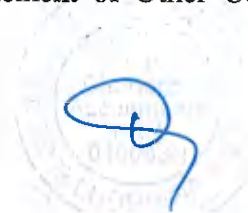
-Cash Flow Characteristics Test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

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

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

Equity Investments (other than investments in subsidiaries, associates and joint venture)

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income



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(SOCl). Amounts from SOCl are not subsequently transferred to profit and loss, even on sale of investment.

### **De-recognition**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through the arrangement; and with that –

- a) the Company has transferred substantially all the risks and rewards of the asset, or
- b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### **Financial Liabilities**

#### **Classification**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Subsequent measurement**

The company has accounted for its term loans, vehicle loans & other borrowings in accordance with Ind AS 109- Financial Instruments.

For trade and other payables maturing within one year from the balance sheet date, the carrying value is at Amortised Cost.

Financial liabilities are measured at amortized cost using Effective Interest Rate (EIR) method, except where practical constraints exist.

#### **De-Recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



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### **Re-classification of Financial Instruments**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

### **Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **(q) Segment Reporting**

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

### **(r) Income Taxes**

#### **(i) Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognised outside the consolidated statement of profit and loss is recognised outside the consolidated statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **(ii) Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.



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Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

### **(s) Revenue Recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

### **Sale of Products**

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

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### **Export Incentive**

Income from Export Incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

### **(t) Other Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

### **(u) Borrowing Costs**

Borrowing cost, if any, that are directly attributable to the acquisition, construction, or production of a \*qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences, if any, to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are recognized as expense in the period in which they are incurred.

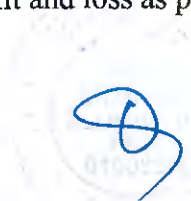
\*A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

### **(v) Employee Benefits**

#### **Gratuity**

The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using projected unit credit method. The liability recognized in the balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

A handwritten signature in blue ink is written over a circular stamp. The stamp contains the number '0160298' at the bottom.

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Past service costs are recognised in profit or loss on the earlier of:

- a) The date of the plan amendment or curtailment, and
- b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b) Net interest expense or income

### **Compensated Absences**

Accumulated compensated absences are either availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service. The Company has a policy to encash the entire leaves balance outstanding as at the end of the year in the subsequent year.

### **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **Changes in Accounting Policies and Disclosures**


#### **(a) New and amended standards and interpretations**

##### **(i) Definition of Accounting Estimates - Amendments to Ind AS 8:**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no impact on the financial statements of the Company.

##### **(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1:**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about



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accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements of the Company.

**(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12:**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. These amendments had no impact on the financial statements of the Company.

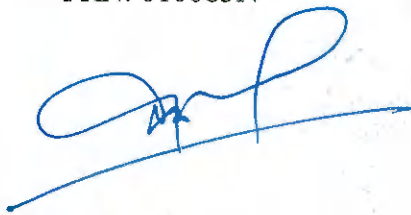
Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34.

**(b) Standards issued but not yet effective**

There are no such standards or amendment issued which are not effective as on date.

For **Goyal Sanjay & Associates**  
Chartered Accountants  
FRN: 010083N

For and on behalf of Board of Directors  
**KAY JAY FORGINGS LIMITED**



**(Davinder Goyal)**  
Partner  
Membership No. 091278



**(Gopal Krishan Kothari)**  
Managing Director  
DIN: 00026734



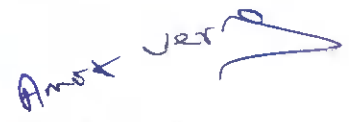
**(Naveen Behl)**  
Whole-time Director  
DIN: 01322486

Place: Ludhiana

Date: 13/8/25



**(Ashok Bansal)**  
Chief Financial Officer



**(Amit Verma)**  
Company Secretary &  
Compliance Officer

**KAY JAY FORGINGS LIMITED**

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(All amounts in INR lakhs, unless otherwise stated)

**Note No. 2 : Property, Plant & Equipments, Intangible Assets, Right of Use Assets & Capital Work-in-Progress As on 31.03.2025**

Particulars	2.1 Property, Plant & Equipment									2.2 Intangible Assets	2.3 Capital Work-in-Progress	2.4 Right of Use Assets
	Freehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Electric Fittings	Total	Computer Software		
<b>Cost</b>												
As At April 01, 2022	851.08	2524.92	18130.75	231.42	780.12	330.65	228.98	762.19	23840.11	154.50	266.05	75.15
Additions	-	707.17	2409.37	39.76	131.44	72.24	53.67	308.32	3,721.97	20.62	664.38	25.276
Deductions	168.64	-	184.61	-	86.92	0.26	-	-	440.42	-	266.05	-
As At March 31, 2023	682.45	3232.09	20355.52	271.17	824.64	402.63	282.66	1070.50	27121.66	175.13	664.38	100.43
Additions	1419.13	571.78	2489.68	43.41	155.97	89.56	49.30	90.12	4908.95	2.93	108.17	45.32
Deductions	-	-	126.57	-	55.49	-	25.63	-	207.68	-	664.38	75.15
As At March 31, 2024	2101.57	3803.87	22718.63	314.58	925.12	492.20	306.33	1160.62	31822.92	178.05	108.17	70.60
Additions	1077.75	988.95	2942.62	27.07	154.98	49.54	23.68	112.32	5376.93	4.27	1132.19	-
Deductions	-	-	157.06	-	91.52	0.41	-	4.81	253.81	-	108.17	-
As At March 31, 2025	3179.33	4792.82	25504.19	341.65	988.57	541.33	330.01	1268.13	36946.04	182.32	1132.19	70.60
<b>Accumulated Depreciation</b>												
As At April 01, 2022	-	913.24	9670.32	160.28	561.11	248.37	201.95	461.29	12216.56	137.75	-	-
Depreciation/Amortization expense	-	169.49	1653.65	20.52	93.18	31.72	18.95	107.97	2,095.47	6.19	-	32.60
Disposals	-	-	143.99	-	81.62	0.24	-	-	225.86	-	-	-
As At March 31, 2023	-	1082.72	11179.98	180.80	572.66	279.85	220.90	569.26	14086.16	143.95	0.00	32.60
Depreciation/Amortization expense	-	167.82	1848.02	25.19	93.21	70.24	43.33	138.95	2,386.76	8.73	-	31.70
Disposals	-	-	88.60	-	48.75	-	20.77	-	158.12	-	-	48.96
As At March 31, 2024	-	1,250.54	12,939.40	205.99	617.12	350.09	243.45	708.22	16,314.81	152.67	-	15.34
Depreciation/Amortization expense	-	117.52	1886.61	21.51	72.29	51.60	28.88	99.76	2278.17	8.46	0.00	12.96
Disposals	-	-	146.08	-	58.20	0.39	-	3.96	208.62	-	-	-
As At March 31, 2025	-	1,368.06	14,679.94	227.51	631.21	401.30	272.33	804.02	18,384.36	161.14	-	28.29
<b>Net Carrying Value</b>												
As At March 31, 2023	682.45	2149.37	9175.54	90.37	251.98	122.79	61.76	501.24	13035.50	31.18	664.38	67.83
As At March 31, 2024	2101.57	2553.33	9779.23	108.59	308.00	142.11	62.87	452.41	15508.12	25.38	108.17	55.26
As At March 31, 2025	3179.33	3424.77	10824.26	114.15	357.36	140.03	57.68	464.11	18561.68	21.19	1132.19	42.31

**KAY JAY FORGINGS LIMITED**

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CIN: U74899DL1983PLC029298

(All amounts in INR lakhs, unless otherwise stated)

**Notes:**

- (i) There were no revaluation carried out by the Company during the period ended 31st March 2025, 31st March 2024 and 31st March 2023  
(ii) Assets pledged and hypothecated against borrowings. Refer Note 15

**Note 2 (a): Ageing Schedule of Capital Work-in-Progress (CWIP) is as follows:-**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31.03.2025					
Projects in progress					
Machinery	882.41				882.41
Building	249.79				249.79
Projects temporarily suspended	-				-
<b>Total</b>	<b>1,132.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,132.19</b>

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31.03.2024					
Projects in progress					
Machinery	98.53				98.53
Building	9.63				9.63
Projects temporarily suspended	-				-
<b>Total</b>	<b>108.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108.17</b>

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31.03.2023					
Projects in progress					
Machinery	664.38				664.38
Building	-				-
Projects temporarily suspended	-				-
<b>Total</b>	<b>664.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>664.38</b>

The Company has no intangible assets under development as at 31st March 2025, 31st March 2024 and 31st March 2023, hence ageing of the same has not been provided.

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## Note (3) Non Current Investments

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
<b>Mutual Funds (Quoted)</b> (Measured at Fair Value through Profit or Loss)			
SBI Mutual Fund (SBI-Infrastructure Fund, 50000 units @ Rs 10/- Per Unit Market value as on 31.03.2025 Rs 2298500/- Previous year - Rs 2259500/-) Aggregate cost of quoted investments-Rs 500000	22.99	22.60	13.88
<b>Investment in Unquoted Equity Shares</b> (Measured at Fair Value through OCI)			
Veeyes Renewable Energy India Pvt. Ltd (12075 shares @Rs.10/-)	1.21	-	-
Veeyes Green Power Private Limited (8614 shares @ Rs.10/-)	0.86	-	-
	2.07	-	-
<b>Total</b>	<b>25.05</b>	<b>22.60</b>	<b>13.88</b>

## Note (4) Other Financial Assets

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
<b>Non-Current</b>			
Measured at Amortised cost (Unsecured, Considered Good)			
(a) Security Deposit*	396.78	327.74	273.13
(b) Security deposits for Leases *	18.00	9.30	11.50
	414.77	337.04	284.62
<b>Current</b>			
Measured at Amortised cost (Unsecured, Considered Good)			
Interest Receivable	22.91	13.77	28.09
Contractual Rate Difference Receivable	-	34.71	-
IPO Expenditure Recoverable	72.12	-	-
Unrealised Gain on Cancellation of Forward Contract	15.65	-	-
Measured at Fair Value through profit or loss			
Derivative Financial Instruments	-	3.29	-
	110.68	51.77	28.09
<b>Total</b>	<b>525.45</b>	<b>388.81</b>	<b>312.71</b>

\*Refer Note 48 annexed to the Financial Statements

## Note (5) Lease Receivables (Under Finance Lease)

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
The Company, as a lessor, has leased out certain assets under finance lease arrangements. These leases transfer substantially all the risks and rewards of ownership to the lessee. Accordingly, the present value of minimum lease payments is recognized as a receivable at the inception of the lease.			
Present Value of Minimum Lease Payments Receivable	-	22.99	44.22
Less: Current portion (due within 12 months)	-	22.99	21.23
Non-Current Lease Receivable	-	-	22.99

## Note (6) Other Non Current Assets

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
(Unsecured & Considered Good)			
(a) Capital Advances	494.73	1,933.72	3,827.89
<b>Total</b>	<b>494.73</b>	<b>1,933.72</b>	<b>3,827.89</b>

## (a) Borrowing Costs Capitalized

"During the year, the Company has capitalized borrowing costs amounting to Rs. 6.01 lakhs (Previous year Rs.210.06 lakhs), which have been included under 'Capital Advances' in Other Non-Current Assets, as the respective assets are yet to be recognized under Property, Plant & Equipment (PPE) or Capital Work in Progress (CWIP)."

## (b) Nature of Capital Advances

Capital advances represent amounts paid towards the acquisition/construction of qualifying assets, including advances towards vendors, contractors, & suppliers for property, plant & equipment. The related borrowing costs will be reclassified to the respective asset upon capitalisation.

## (b) Capitalisation Rate &amp; Borrowings Considered

The capitalisation rate applied to determine the eligible borrowing cost was 9.5%. The borrowings considered include specific borrowings which were directly attributable to procurement of qualifying assets.

**KAY JAY FORGINGS LIMITED***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)****Note (7) Inventories**

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
Raw Materials	2,663.59	2,262.37	2,485.76
Work in Process	5,228.80	4,888.31	3,553.01
Finished Goods (other than those acquired for trading)	1,036.52	738.14	607.93
Stores and Spares	1,451.31	1,064.12	807.65
Power & Fuel	26.31	25.11	22.47
Goods in Transit	2.30	-	3.26
<b>Total</b>	<b>10,408.83</b>	<b>8,978.05</b>	<b>7,480.08</b>

7.1 The carrying amount of inventory hypothecated to secure working capital facilities of Rs.10408.83 lakhs (Previous Year Rs.8978.05 lakhs)

**Note (8) Trade Receivables**

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
Considered Good- Secured	-	-	-
Considered Good- Unsecured	-	-	-
a) Related Parties	-	-	-
b) Others	5,471.14	4,577.39	4,448.73
Significant increase in Credit Risk	-	-	-
Credit Impaired	-	-	-
Less: Allowances for Expected Credit Losses	-	-	-
<b>Total</b>	<b>5,471.14</b>	<b>4,577.39</b>	<b>4,448.73</b>

8.1 a) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Not any trade or other receivables are due from from firms or private companies respectively in which a director is a partner, a director or member except provided in the related party note.

b) Trade receivables are non-interest bearing.

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**Note 8.2 Trade Receivables Ageing Schedule****Outstanding for following periods from due date of payment (2024-25)**

Particulars	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good which have significant increase in credit risk	5,047.02	424.13	-	-	-	-	5,471.14
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>5,047.02</b>	<b>424.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,471.14</b>

**Outstanding for following periods from due date of payment (2023-24)**

Particulars	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good which have significant increase in credit risk	4,370.01	206.12	-	-	-	1.27	4,577.39
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>4,370.01</b>	<b>206.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.27</b>	<b>4,577.39</b>

**Outstanding for following periods from due date of payment (2022-23)**

Particulars	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Receivables							
Considered Good which have significant increase in credit risk	4,013.94	430.89	-	0.13	3.77	-	4,448.73
credit impaired	-	-	-	-	-	-	-
Disputed Receivables							
Considered Good which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>4,013.94</b>	<b>430.89</b>	<b>-</b>	<b>0.13</b>	<b>3.77</b>	<b>-</b>	<b>4,448.73</b>

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**Note (9) Cash and Cash Equivalents**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Balances with Banks			
(a) In Current Accounts	457.92	414.93	357.63
(b) In Cash Credit Accounts	266.74	2,022.74	997.63
Cash in Hand	12.76	27.29	26.64
Uncleared Cheques	-	-	515.22
Imprest Balances	1.27	1.90	1.95
<b>Total</b>	<b>738.69</b>	<b>2,466.86</b>	<b>1,899.07</b>

**Note (10) Other Balances with Banks**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Fixed Deposits with Banks with original maturity of more than 3 months but less than 12 months*			
FDR With HDFC Bank	4.76	4.56	4.28
Interest Accrued on FDR	-	-	0.08
* Fixed deposits are pledged with banks against bank guarantee			
<b>Total</b>	<b>4.76</b>	<b>4.56</b>	<b>4.36</b>

**Note (11) Short-term Loans and Advances**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
(Unsecured & Considered Good)			
Advances to Suppliers	135.70	190.99	158.43
Advances to Employees	14.90	18.83	38.72
Advances to Related Parties	2.09	1.98	16.11
Other Advances	43.47	15.83	192.81
<b>Total</b>	<b>196.17</b>	<b>227.63</b>	<b>406.08</b>

**Note (12) Other Current Assets**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Prepaid Expenses	374.59	317.25	287.71
Balances with Custom & GST Authorities	268.35	181.05	198.08
<b>Total</b>	<b>642.94</b>	<b>498.30</b>	<b>485.79</b>

**Note (13) Equity Share Capital :**

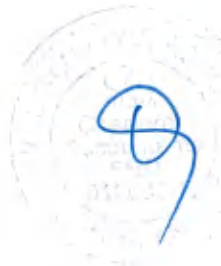
The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par Value of Rs. 10/- each as follows

PARTICULARS	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
<b>(a) Authorised :</b>			
1550000 (Previous Year 1550000) Equity Shares of Rs. 10/- each.	155.00	155.00	155.00
	155.00	155.00	155.00
<b>(b) Issued, Subscribed &amp; Paid Up:</b>			
1436730 (Previous Year 1436730) Equity Shares of Rs. 10/- each fully paid up	143.67	143.67	143.67
<b>Total</b>	<b>143.67</b>	<b>143.67</b>	<b>143.67</b>

**(13).a Reconciliation of the number of shares**

PARTICULARS	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
	<b>Numbers of Shares</b>	<b>Numbers of Shares</b>	<b>Numbers of Shares</b>
Equity shares			
Opening Balance	14,36,730	14,36,730	1,43,673
Changes during the Year	-	-	12,93,057
Closing Balance	14,36,730	14,36,730	14,36,730

During the year 2022-23 Face value of the shares had been changed from Rs 100 per share to Rs 10 per share



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**(13).b Details of shares held by each shareholder holding more than 5% shares:**

PARTICULARS		AS AT	AS AT	AS AT
		31.03.2025	31.03.2024	31.03.2023
		Number of shares & % of holding	Number of shares & % of holding	Number of shares & % of holding
<b>Equity shares</b>				
Sh. Gopal Krishan Kothari	No.	11,10,360	11,10,360	11,10,360
	%	77.29%	77.29%	77.29%
Sh. Amit Kothari	No.	80,280	80,290	80,290
	%	5.59%	5.59%	5.59%
Smt. Madhu Kothari	No.	2,09,180	2,09,180	2,09,180
	%	14.56%	14.56%	14.56%

**(13).c Disclosure of Shareholding of Promoters at 31st March, 2025 is as follows**

Shares held by promoters at the end of the year			
Promoters Name	No. of Equity Shares	% of Total Shares	% Change during the year
Sh. Gopal Krishan Kothari	11,10,360	77.29	-
Sh. Amit Kothari	80,280	5.59	-
Smt. Madhu Kothari	2,09,180	14.56	-
G.K Kothari & Sons HUF	33,000	2.29	-
Savitra Devi Sarda	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
<b>Total</b>	<b>14,36,720</b>	<b>100</b>	<b>-</b>

**Disclosure of Shareholding of Promoters at 31st March, 2024 is as follows**

Shares held by promoters at the end of the year			
Promoters Name	No. of Equity Shares	% of Total Shares	% Change during the year
Sh. Gopal Krishan Kothari	11,10,360	77.29	-
Sh. Amit Kothari	80,290	5.59	-
Smt. Madhu Kothari	2,09,180	14.56	-
G.K Kothari & Sons HUF	33,000	2.29	-
Savitra Devi Sarda	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
<b>Total</b>	<b>14,36,730</b>	<b>100</b>	<b>-</b>

**Disclosure of Shareholding of Promoters at 31st March, 2023 is as follows**

Shares held by promoters at the end of the year			
Promoters Name	No. of Equity Shares	% of Total Shares	% Change during the year
Sh. Gopal Krishan Kothari	11,10,360	77.29	-
Sh. Amit Kothari	80,290	5.59	-
Smt. Madhu Kothari	2,09,180	14.56	-
G.K Kothari & Sons HUF	33,000	2.29	-
Savitra Devi Sarda	1,900	0.13	-
Amit Kothari HUF	2,000	0.14	-
<b>Total</b>	<b>14,36,730</b>	<b>100</b>	<b>-</b>

**(13).d Rights, Preferences & Restrictions**

Terms/rights attached to equity shares :

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

In the event of liquidation of the Company, the holders of 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 no. of equity shares held by shareholder

(13).e No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/year end.

(13).f No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**Note (14) Other Equity**

Other Equity consists of the following:

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
(a) Securities premium account	257.82	257.82	257.82
(b) Capital Reserve	1.50	1.50	1.50
(c) General Reserve	164.11	164.11	164.11
(d) Retained Earning			
As per last Balance Sheet	12,911.35	10,498.80	9,117.50
Add: Change in Accounting Policy or Prior period errors	-	-	-
Add: Profit/Loss for the year	2,901.46	2,412.55	1,381.30
	15,812.81	12,911.35	10,498.80
(d) Remeasurement of net defined benefit plan through OCI			
As per last Balance Sheet	(61.29)	(21.46)	(21.46)
Less: Other Comprehensive income (net of tax)	(31.56)	(39.83)	(21.46)
	(92.85)	(61.29)	(21.46)
<b>Total</b>	<b>16,143.38</b>	<b>13,273.48</b>	<b>10,900.76</b>

**Nature & Purpose of each Reserve:**

14.1 Securities Premium: Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Companies Act, 2013.

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14.2 Capital Reserve: Capital reserve is the difference of book value of assets of the subsidiary and amount paid for the acquisition of subsidiary.

14.3 General Reserve: It is a free reserve created from retained earnings. It can be used for any purpose as per management discretion.

14.4 Retained Earnings: Surplus/ (deficit) in the statement of profit and loss are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings as at April 1,2022 has been adjusted consequent to the Ind AS transition adjustments. Surplus/ (deficit) in the statement of profit and loss is a free reserve available to the company.

14.5 Other Comprehensive Income: It includes rereasurement loss/ gain on defined benefit obligations, net of taxes that will not be reclassified to statement of profit and loss.

**Note (15) Borrowings**

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
(a) Term loans			
Secured *	2,948.22	4,620.66	5,622.95
(b) Loans and Advances from Related Parties			
Unsecured	2,568.35	2,477.02	2,624.79
<b>Total</b>	<b>5,516.56</b>	<b>7,097.68</b>	<b>8,247.74</b>

\*Refer Note 48 annexed to the Financial Statements

**Note (15).1 Details of Term Loan & Loans & Advance:-**

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
<b>Term loans</b>			
<b>Secured</b>			
<b>From Banks</b>			
<b>(A) IN INDIAN CURRENCY</b>			
MTL- AXIS BANK A/C 10.00 CRORES	663.43	832.00	-
MTL- FEDERAL BANK (10.00 CR.)	-	55.56	277.78
MTL-FEDERAL (ECLGS 3.00 CR)	-	67.47	147.17
MTL- HDFC BANK (ECLGS-11.54 CR)	24.04	264.46	552.90
MTL- HDFC034LN06220840001 (7.85CR)	157.00	314.00	471.00
MTL- FEDERAL (ECLGS 1.5 CR)	90.81	125.90	150.00
MTL- HDFC BANK (ECLGS-5.769 CR)	300.47	444.69	576.90
MTL-HDFC 034LN062213200002 (2.15 CR)	43.73	87.46	131.19
MTL-HDFC 034LN06221850001 (3.15 CR OUT OF 10 CR)	126.00	189.00	252.00
MTL-HDFC 034LN06222740001 (6.85 CR OUT OF 10 CR)	274.00	411.00	548.00
MTL-HDFC 034LN06230650001 (10.00CR)	500.00	700.00	900.00
	<b>2,179.48</b>	<b>3,491.53</b>	<b>4,006.99</b>
<b>(B) IN FOREIGN CURRENCY</b>			
Standard Chartered Bank (MTL-ECB) A/C-7	-	-	184.88
	-	-	184.88
<i># The Loan was taken in foreign currency, but as per the terms settled with the Bank the company is repaying the loan along with interest in INR</i>			
<b>(ii) From Financial Institutions</b>			
<b>(A) IN INDIAN CURRENCY</b>			
MTL- BAJAJ FINANCE 5.00 CR.	188.10	285.03	374.24
MTL - BAJAJ FINANCE LTD. (ECLGS-1.995 CR)	-	48	101
MTL- BAJAJ FINANCE 10.00 CR.	514.29	703.40	878.55
	<b>702.39</b>	<b>1,036.56</b>	<b>1,353.75</b>
<b>(iii) From Bank-Vehicle Loan</b>			
HDFC BANK CAR LOAN A/C MAHINDERA XUV 700	-	6.47	13.69
HDFC BANK LOAN A/C TOYOTA VELLFIRE	-	12.45	40.86
HDFC BANK CAR LOAN A/C INNOVA PB10JG 7787	7.86	15.76	-
HDFC BANK CAR LOAN A/C INNOVA PB10JL 4748	13.69	22.90	-
YES BANK LOAN A/C. INNOVA -PB91F 7787	-	-	1
HDFC BANK LOAN A/C CRETA CAR TN70AR 3472	7.37	13.08	-
HDFC BANK CAR LOAN A/C MAHINDERA SCORPIO PB10JD7864	-	12.06	-
HDFC BANK LOAN A/C. (INNOVA CAR PB 10 HR 7787)	-	-	8
HDFC BANK LOAN A/C (BMW CAR)	-	-	14
UBOI BANK CAR LOAN A/C BYD EV PB10JM 9987	20.70	-	-
UBOI BANK LOAN A/C INNOVA CAR NEW CAR	14.67	-	-
AXIS BANK LOAN A/C. TRUCK (PB10JD-1324)	2.06	9.85	-
	<b>66.35</b>	<b>92.57</b>	<b>77.33</b>
	<b>2,948.22</b>	<b>4,620.66</b>	<b>5,622.95</b>



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(All amounts in INR lakhs, unless otherwise stated)

Loans and Advances from Related Parties:			
<u>Unsecured</u>			
From Directors			
GOPAL KRISHAN KOTHARI	991.45	1,119.96	1,013.59
AMIT KOTHARI	550.67	522.75	517.82
	<b>1,542.12</b>	<b>1,642.71</b>	<b>1,531.41</b>
From Share Holders & Relatives			
G.K.KOTHARI & SONS HUF	712.62	592.52	598.52
AMIT KOTHARI HUF	65.55	55.55	50.45
MANNAT KOTHARI	30.32	2.03	26.04
MADHU KOTHARI	63.97	30.44	264.60
SAVITRI DEVI	3.77	3.77	3.77
NAVEEN BEHL HUF	150.00	150.00	150.00
	<b>1,026.23</b>	<b>834.31</b>	<b>1,093.38</b>
	<b>2,568.35</b>	<b>2,477.02</b>	<b>2,624.79</b>
<b>Total</b>	<b>5,516.56</b>	<b>7,097.68</b>	<b>8,247.74</b>

Installments falling due in respect of all the above loans in next 12 months & overdue balance, if any, have been grouped under "Current Maturities of Long Term Debts" under Note Short-Term Borrowings

Note 15.2 Nature of Security and terms of repayment for Long Term secured borrowings:

Note 15.2.1 Repayment of Term Loan

a) BANK LOANS

Particulars	Terms of Repayment
MTL- AXIS BANK A/C 10.00 CRORES	Repayable in 72 Monthly instalments. 71 Instalments of Rs 14.00 Lacs each commencing from April 2024 and Last installment of Rs 6 lacs due in March 2030.
MTL- FEDERAL BANK (10.00 CR.)	Repayable in 54 Monthly instalments of Rs 18.51 Lacs (Including Interest) each commencing from January 2021 . Last installment due in June, 2025.
MTL-FEDERAL (ECLGS 3.00 CR)	Repayable in 48 Monthly instalments of Rs 7.50 Lacs (Including Interest) each commencing from February 2022 . Last installment due in January 2026.
MTL- HDFC BANK (ECLGS-11.54 CR)	Repayable in 48 Monthly instalments of Rs 24.04 Lacs each commencing from March 2022 . Last installment due in February 2026.
MTL- HDFC034LN06220840001 (7.85CR)	Repayable in 60 Monthly instalments of Rs 13.08 Lacs each commencing from April 2022 . Last installment due in March 2027.
MTL- FEDERAL (ECLGS 1.5 CR)	Repayable in 48 Monthly of Rs 3.75 Lacs Including Interest) each commencing from July 2024. Last installment due in June, 2028.
MTL- HDFC BANK (ECLGS-5.769 CR)	Repayable in 48 Monthly instalments of Rs 12.02 Lacs each commencing from May 2024. Last installment due in April 2028.
MTL-HDFC 034LN062213200002 (2.15 CR)	Repayable in 59 Monthly instalments of Rs 3.64 Lacs each commencing from May 2022. Last installment due in March 2027.
MTL-HDFC 034LN06221850001 (3.15 CR OUT OF 10 CR)	Repayable in 20 Quarterly instalments of Rs 15.75 Lacs each commencing from April 2023. Last installment due in Jan, 2028.
MTL-HDFC 034LN06222740001 (6.85 CR OUT OF 10 CR)	Repayable in 20 Quarterly instalments of Rs 34.25 Lacs each commencing from April 2023. Last installment due in Jan, 2028.
MTL-HDFC 034LN06230650001 (10.00CR)	Repayable in 20 Quarterly instalments of Rs 50.00 Lacs each commencing from December 2023. Last installment due in September, 2028.
Standard Chartered Bank (MTL-ECB) A/C-7	Repayable in 20 Quarterly instalments of Rs 55 Lacs (USD 75000) each commencing from January 2020. Last installment due in October, 2024.
MTL- BAJAJ FINANCE 5.00 CR.	Repayable in 73 Monthly instalments of Rs 10.01 Lacs (Including Interest) each commencing from Sep-2022 . Last installment due in Nov-2027.
MTL - BAJAJ FINANCE LTD. (ECLGS-1.995 CR)	Repayable in 48 Monthly instalments varied from Rs 3.64 Lacs to Rs 5.11 Lacs commencing from February 2022 . Last installment due in January 2026.
MTL- BAJAJ FINANCE 10.00 CR.	Repayable in 61 Monthly instalments of Rs 20.52 Lacs (Including Interest) each commencing from July 2023 . Last installment due in July 2028.

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**b) VEHICLE LOANS**

HDFC BANK CAR LOAN A/C MAHINDERA XUV 700	Repayable in 39 Monthly installments of Rs 67062/- each commencing from November 2022. Last installment due in January 2026.
HDFC BANK LOAN A/C TOYOTA VELLFIRE	Repayable in 39 Monthly installments of Rs 253339/- each commencing from June 2022. Last installment due in August 2025.
HDFC BANK CAR LOAN A/C INNOVA PB10JG 7787	Repayable in 39 Monthly installments of Rs 74531/- each commencing from December 2023. Last installment due in February 2027.
HDFC BANK CAR LOAN A/C INNOVA PB10JL 4748	Repayable in 39 Monthly installments of Rs 91340/- each commencing from May 2024. Last installment due in July 2027.
YES BANK LOAN A/C. INNOVA -PB91F 7787	Repayable in 60 Monthly installments of Rs 35400/- each commencing from June 2019. Last installment due in May 2024.
HDFC BANK LOAN A/C CRETA CAR TN70AR 3472	Repayable in 39 Monthly installments of Rs 55787/- each commencing from March 2024. Last installment due in May 2027.
HDFC BANK CAR LOAN A/C MAHINDERA SCORPIO PB10JD7864	Repayable in 39 Monthly installments of Rs 65066/- each commencing from September 2023. Last installment due in November 2026.
HDFC BANK LOAN A/C. (INNOVA CAR PB 10 HR 7787)	Repayable in 39 Monthly installments of Rs 69203/- each commencing from January 2022. Last installment due in March 2025.
HDFC BANK LOAN A/C (BMW CAR)	Repayable in 39 Monthly installments of Rs 286902/- each commencing from June 2021. Last installment due in August 2024.
UBOI BANK CAR LOAN A/C BYD EV PB10JM 9987	Repayable in 36 Monthly installments of Rs 156226/- each commencing from June 2024. Last installment due in May 2027.
UBOI BANK LOAN A/C INNOVA CAR NEW CAR	Repayable in 36 Monthly installments of Rs 92219/- each commencing from September 2024. Last installment due in August 2027.
AXIS BANK LOAN A/C. TRUCK (PB10JD-1324)	Repayable in 36 Monthly installments of Rs 69715/- each commencing from July 2023. Last installment due in June 2026.

**Note 15.2.2 Nature of Security****a) BANK LOANS**

(I) Entire movable fixed assets including plant &amp; machinery have been secured by way of First Pari-Passu charge

(II) Term Loans from Axis Bank, Federal Bank, Bajaj Finance &amp; HDFC Bank has been secured by way of 1st parri passu charge on fixed assets of the company including equitable mortgage of following factory Land &amp; Buildings

(i) C-3, Focal Point, Ludhiana,

(ii) D-1, Focal Point, Ludhiana

(iii) C-20, Focal Point, Ludhiana

(iv) E-2, Focal Point, Ludhiana

(v) SF-494, Kothakondapally Village, Hosur Taluk, Krishnagiri Dist. Tamil Nadu.

(vi) Survey No. 339/2 &amp; 344/2, Onnalavadi Village, Hosur Taluk, Krishnagiri District, Tamil Nadu.

2nd Parri passu charge in favour of term lenders on entire current assets including inventories, book debts &amp; other receivables.

**b) VEHICLE LOANS**

Vehicle Loans are secured by way of Hypothecation of Vehicles.

**Note (16) Lease Liabilities**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Lease Liability (Non-Current)	36.29	45.55	33.86
Lease Liability (Current)	9.34	12.19	37.58
<b>Total</b>	<b>45.63</b>	<b>57.75</b>	<b>71.44</b>

Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate on the date of transition.

The ROU assets were recognized at an amount equal to the lease liability or adjusted for prepayments and lease incentives.

The adoption did not have a material impact on the net assets and equity of the Company.

Incremental Borrowing Rate was assessed by the Management at the rate of 8% per annum for the year end 31st March 2025

**Note 16.1 Movements of Lease Liabilities during the year**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Opening Balances	57.75	71.44	75.15
Additions on account of transition to Ind AS 116			
Additions during the year, Additions on account of new leases	-	45.32	25.28
Finance Charges	4.19	6.39	5.89
Less: Repayment towards lease liabilities	16.30	36.22	34.88
Less: Modifications, Remeasurements of lease liabilities		29.18	-
<b>Balances at the end of year</b>	<b>45.63</b>	<b>57.75</b>	<b>71.44</b>

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**NOTE (17) Deferred Tax Liabilities**

Major components of deferred tax balances consists of the following :

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
(a) Deferred Tax Liabilities (net)			
(i) Property Plant and Equipment	196.69	218.32	337.66
(ii) Employees Benefits	-	-	-
(iii) Change in Fair Value of Investment	4.53	4.43	2.23
(iv) Lease Receivables	-	5.79	11.13
(v) Remeasurement of Defined Benefit Plans	-	-	-
	<b>201.21</b>	<b>228.54</b>	<b>351.02</b>
(b) Deferred Tax Assets (net)			
(i) Property Plant & Equipment	-	-	-
(ii) Provision for Gratuity	41.37	28.16	56.56
(iii) Remeasurement of Defined Benefit Plans	6.85	11.19	6.57
(iv) Difference in Lease liability and Right of use Asset	0.84	0.62	0.45
	<b>49.06</b>	<b>39.97</b>	<b>63.58</b>
<b>Total</b>	<b>152.15</b>	<b>188.57</b>	<b>287.44</b>

**Note (18) Long-Term Provisions**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Gross Provision for Gratuity (Present Value of Defined Benefit Obligation)	164.38	148.71	224.71
Add/(Less): Remeasurement on Defined Benefit Plan (Income)/Loss	27.22	7.62	26.11
<b>Total</b>	<b>191.60</b>	<b>156.33</b>	<b>250.82</b>

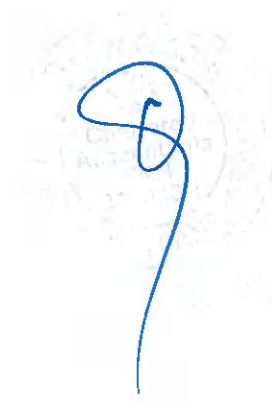
**Note (19) Borrowings**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
<b>Detail of Short Term Borrowings:-</b>			
<b>Secured</b>			
<b>Working Capital Loans</b>			
(i) From Banks			
HDFC Bank-EPC (INR)	-	927.78	311.94
HDFC Bank-WCDL	1,000.00	1,000.00	1,500.00
SCB Cash Credit	-	-	35.07
Axis Bank-WCDL	450.00	-	-
(ii) From Financial Institutions			
Bajaj Finance WCDL	1,500.00	-	2,000.00
(Secured by way of first pari passu charge in favour of company's Bankers on entire current assets of the company including stocks and receivables of the company.)			
(Secured by way of Second pari passu charge on all movable fixed assets including plant & machinery and by way of equitable mortgage on land & building.)			
(ii) Current Maturities of Long term Debt	1,721.73	2,111.75	2,136.76
<b>Total</b>	<b>4,671.73</b>	<b>4,039.53</b>	<b>5,983.78</b>

\*Refer Note 48 annexed to the Financial Statements

**KAY JAY FORGINGS LIMITED***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)****Note (20) Trade Payables**

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
Trade Payables			
- Due to Micro & Small Enterprises	1,013.82	994.45	396.01
- Others	4,918.07	5,018.67	3,838.32
<b>Total</b>	<b>5,931.89</b>	<b>6,013.12</b>	<b>4,234.33</b>



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**Note 20.1 Trade Payables Ageing Schedule****Outstanding for following periods from due date of payment (2024-25)**

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	1,008.98	4.84	-	-	-	1,013.82
Others	4,437.16	441.91	6.75	30.68	1.56	4,918.07
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	<b>5,446.14</b>	<b>446.75</b>	<b>6.75</b>	<b>30.68</b>	<b>1.56</b>	<b>5,931.89</b>

**Outstanding for following periods from due date of payment (2023-24)**

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	942.20	52.25	-	-	-	994.45
Others	4,256.10	714.91	45.76	1.83	0.07	5,018.67
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	<b>5,198.30</b>	<b>767.16</b>	<b>45.76</b>	<b>1.83</b>	<b>0.07</b>	<b>6,013.12</b>

**Outstanding for following periods from due date of payment (2022-23)**

Particulars	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	339.65	56.36	-	-	-	396.01
Others	3,246.33	567.44	7.45	0.04	17.06	3,838.32
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Other	-	-	-	-	-	-
<b>Total</b>	<b>3,585.97</b>	<b>623.81</b>	<b>7.45</b>	<b>0.04</b>	<b>17.06</b>	<b>4,234.33</b>



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**Note (21) Other Financial Liabilities**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
(a) Creditors for Capital Goods			
- Due to Micro & Small Enterprises	87.64	101.69	5.52
- Others	896.24	183.35	99.38
(b) Interest Payable	31.43	46.21	104.45
(c) Contractual Rate Difference Payable	1,475.57	657.73	239.10
<b>Measured at Fair Value through Profit or Loss</b>			
Derivative Financial Instruments	2.52	-	34.78
<b>Total</b>	<b>2,493.40</b>	<b>988.98</b>	<b>483.23</b>

**Note (22) Other Current Liabilities**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
(i) Statutory Remittances	764.55	676.58	709.03
(ii) Contract Liabilities*	56.08	0.82	45.72
(iii) Others payables (Expenses Payable)	1,419.99	1,470.54	822.54
<b>Total</b>	<b>2,240.62</b>	<b>2,147.94</b>	<b>1,577.28</b>

\* Contract Liabilities are received on contracts entered with customers for which performance obligations are yet to be performed, therefore, revenue will be recognised when the goods are pass on to the customers.

**Note (22.1) Movement of Contract Liabilities**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Opening Current Liabilities	0.82	45.72	10.04
Less: Amount recognised in revenue	0.82	45.72	10.04
Add: Amount received in advance	56.08	0.82	45.72
<b>Closing Contract Liabilities</b>	<b>56.08</b>	<b>0.82</b>	<b>45.72</b>

**Note (23) Short-term Provisions**

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
(a) Provision for Employee Benefits:			
(i) Provision for Bonus	427.48	386.21	336.95
(ii) Leave with Wages	118.58	105.80	91.35
(b) Provision for Taxation (Net of Prepaid Taxes)	186.44	218.77	112.89
<b>Total</b>	<b>732.49</b>	<b>710.78</b>	<b>541.19</b>

**Note (24) Revenue from Operations**

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
Sale of Products	88,504.63	78,720.58	70,621.24
Other Operating Revenues	4,923.77	4,513.62	4,271.71
<b>Total</b>	<b>93,428.40</b>	<b>83,234.20</b>	<b>74,892.95</b>
Less: GST	18,382.01	16,002.56	14,623.72
<b>Total</b>	<b>75,046.39</b>	<b>67,231.64</b>	<b>60,269.23</b>

Note 24.1 Ind AS 115 "Revenue from Contracts with Customers" applies with limited exceptions, to all revenue arising from contracts with its customers. The company adopted Ind AS 115 using the modified retrospective method of adoption with the date of transition date April 01, 2022 which does not require restatement of comparative year. The company elected to apply the standard to all contracts as at April 01, 2022. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 24.2 The company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

**Note 24.3 Particulars of sales of Products**

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
(i) Manufacturing Sales			
Indigenous	84,759.89	74,124.81	67,192.51
Export	3,744.74	4,595.77	3,428.73
	88,504.63	78,720.58	70,621.24
Less: GST	17,644.85	15,329.95	13,983.65
<b>Total - Sale of manufactured goods</b>	<b>70,859.77</b>	<b>63,390.63</b>	<b>56,637.59</b>
(ii) Other operating revenues comprise:			
Sale of Scrap	4,832.46	4,402.47	4,194.84
Duty drawback and other export incentives	91.31	111.15	76.87
	4,923.77	4,513.62	4,271.71
Less: GST	737.15	672.61	640.07
<b>Total - Other operating revenues</b>	<b>4,186.62</b>	<b>3,841.01</b>	<b>3,631.64</b>

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Note 24.4 The company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit or loss

## Note (25) Other income

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
(a) Interest income comprises:			
Interest from Banks	0.20	0.20	0.22
Interest on Loans and Advances	110.93	177.46	192.38
Interest on Lease Receivable	1.01	2.77	4.40
Other interest	24.57	68.01	13.36
<b>Total - Interest income *</b>	<b>136.71</b>	<b>248.44</b>	<b>210.37</b>
(b) Other Non Operating Income			
(i) Profit on Sale of Property, Plant & Equipment (net)	14.94	-	-
(ii) Sundry Balances Written Off	-	26.06	-
(iii) Gain on Derecognition of Lease liability	-	2.99	-
(iv) Misc Income	0.61	0.21	0.05
(v) Incentive received u/s 194R	1.09	1.04	-
(vi) Rent Received-Others	1.03	0.93	0.86
(vii) Rebate & Discount	9.25	15.01	0.75
(viii) Gain on change in Fair Value of Investments	0.39	8.72	1.38
(ix) Gain on Derivative Instruments	-	22.51	-
(x) Notice Period Salary/Wages	10.71	-	2.81
(xi) Freight Received on Behalf of Kothari Exports	32.31	22.60	28.99
Less: Freight Transferred to Kothari Exports	(32.31)	(22.60)	(28.99)
<b>Total - Other Non-Operating Income</b>	<b>38.03</b>	<b>77.48</b>	<b>5.84</b>
<b>Total</b>	<b>174.75</b>	<b>325.92</b>	<b>216.21</b>

\*Refer Note 48 annexed to the Financial Statements

## Note (26) Cost of Materials Consumed

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
Opening stock	2,262.37	2,485.76	2,362.16
Add: Purchases	40,683.34	37,721.29	35,226.09
Less: Closing Stock	2,663.59	2,262.37	2,485.76
<b>Total</b>	<b>40,282.12</b>	<b>37,944.67</b>	<b>35,102.50</b>

## Note (27) Changes in Inventories of finished goods, work-in-progress and stock-in-trade

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>Inventories at the beginning of the year:</b>			
Stock-in-trade (acquired for trading)			
Finished goods	738.14	607.93	658.22
Work-in-progress	4,888.31	3,553.01	3,177.85
	<b>5,626.45</b>	<b>4,160.95</b>	<b>3,836.07</b>
<b>Inventories at the end of the year:</b>			
Stock-in-trade (acquired for trading)			
Finished goods	1,036.52	738.14	607.93
Work-in-progress	5,228.80	4,888.31	3,553.01
	<b>6,265.32</b>	<b>5,626.45</b>	<b>4,160.95</b>
<b>Net (increase) / decrease</b>	<b>(638.87)</b>	<b>(1,465.51)</b>	<b>(324.88)</b>

## Note (28) Employee Benefits Expenses

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
Salaries and Wages	9,233.14	8,037.97	6,910.02
Contributions to Provident and other Funds	576.22	520.33	441.79
Staff Welfare Expenses	632.65	560.94	511.30
Gratuity	204.21	209.52	183.76
<b>Total</b>	<b>10,646.22</b>	<b>9,328.77</b>	<b>8,046.87</b>

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund & Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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## Note 28.1 Employee Benefits Expenses

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>(a) Salaries and wages includes</b>			
<b>Salaries &amp; Allowances</b>			
Salaries	1106.84	1010.69	864.01
H.R.A	40.28	50.21	40.78
Conveyance Allowance	39.62	41.96	38.79
Washing Allowance	0.09	0.04	0.04
Salary/Wages-Notice Period	-	17.27	-
<b>Wages &amp; Allowances</b>			
Wages	6699.77	5604.67	4605.09
H.R.A	250.24	230.97	217.87
Conveyance Allowance	194.79	176.95	162.14
Washing Allowance	0.87	0.91	0.56
<b>Other Benefits</b>			
Director's Remuneration & Perqs	313.61	368.91	525.07
Ex-Gratia Expenses	0.00	0.00	0.72
Bonus	457.54	418.52	351.97
Leave With Wages	126.96	114.29	94.37
Medical Aid	2.49	2.58	8.62
	<b>9,233.14</b>	<b>8,037.97</b>	<b>6,910.02</b>
<b>(b) Contributions to provident and other funds includes</b>			
Provident Fund	443.25	397.79	333.49
Labour Welfare Fund	5.41	4.90	5.16
E.S.I	117.86	104.12	91.72
National Pension Scheme	9.71	13.14	11.42
E.S.I./P.F. Others	0.00	0.38	0.00
	<b>576.22</b>	<b>520.33</b>	<b>441.79</b>
<b>(c) Staff welfare expenses includes</b>			
Labour Welfare	112.23	120.16	85.80
Staff Welfare	10.83	11.79	16.52
Canteen Expenses	98.32	88.25	81.41
Festival Expenses	36.21	29.05	35.60
Staff Insurance	255.98	240.46	233.93
Premium Renewal Expenses	6.81	7.19	6.41
Employees Compensation Expenses	1.20	1.10	1.20
Staff Recruitment & Training	111.08	62.95	50.44
	<b>632.65</b>	<b>560.94</b>	<b>511.30</b>

## Note (29) Finance Costs

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>(a) Interest expense on:</b>			
(i) Borrowings *	1,389.04	1451.70	1227.94
(ii) Others	-	0.06	0.57
(iii) Lease Liability	4.19	6.39	5.89
<b>(b) Bank charges</b>	6.83	4.15	9.00
<b>(c) Net loss on Foreign Currency Transactions &amp; Translation</b>	-26.72	35.67	62.14
	<b>1,373.34</b>	<b>1,497.97</b>	<b>1,305.53</b>
Less : Interest Capitalized on Fixed Assets & Capital Advances	159.22	171.56	96.76
<b>Total</b>	<b>1,214.12</b>	<b>1,326.41</b>	<b>1,208.77</b>

\*Refer Note 48 annexed to the Financial Statements

## Note 29.1 Finance Costs

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>(a) Interest on Borrowing includes:-</b>			
Interest on Term Loan	487.73	586.21	490.67
Interest on Working Capital Borrowings	784.07	751.56	587.68
Interest on Car Loans	13.88	10.78	13.70
Interest on Commercial Vehicle Loans	1.21	1.46	0.69
Interest on Unsecured Loans	102.16	101.68	135.21
<b>Total</b>	<b>1389.04</b>	<b>1451.70</b>	<b>1227.94</b>

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**Note (30) Depreciation & Amortization Expenses**

Particulars	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR
	31.03.2025	31.03.2024	31.03.2023
Depreciation on Property, Plant & Equipment	2278.17	2386.76	2095.47
Depreciation on Right of Use Asset	12.96	31.70	32.60
Amortisation on Intangible Assets	2,291	2,418	2,128
	8.46	8.73	6.19
<b>Total</b>	<b>2,299.59</b>	<b>2,427.19</b>	<b>2,134.26</b>

**Note (31) Other Expenses**

Particulars	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR
	31.03.2025	31.03.2024	31.03.2023
<b>(i) Manufacturing Expenses</b>			
Stores & Spare Consumed	5047	4231.94	3402.67
Power & Fuel	3917.66	3449.18	2851.29
Testing, Inspection & segregation charges	78.34	22.09	15.02
Job Work	3545.54	2829.69	1981.39
Machinery	1052.23	947.77	819.45
Electricals	128.92	93.04	98.51
<b>Sub Total</b>	<b>13,769.61</b>	<b>11573.72</b>	<b>9168.33</b>
<b>(ii) Selling and Distribution Expenses</b>			
<b>(a) Freight and Forwarding</b>			
Truck Expenses	98.89	94.68	76.15
Freight, Cartage & Octroi Outwards	2007.27	1754.52	1779.66
Packing & Forwarding	530.13	401.38	379.20
Warehousing Charges	5.62	7.58	5.93
<b>(b) Sales Commission</b>			
Foreign Agent	-	-	2.92
<b>(c) Business Promotion</b>			
Business Promotion	33.29	24.31	3.06
Advertisement Expenses	0.97	3.14	3.13
<b>Sub Total</b>	<b>2676.18</b>	<b>2285.61</b>	<b>2250.05</b>

(iii) Establishment Expenses	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR
	31.03.2025	31.03.2024	31.03.2023
Car Conveyance	18.00	23.76	26.97
Club Expenses	0.18	0.34	0.19
Conveyance	1.40	1.33	1.48
CSR Expenses (Refer Note 32)	44.21	16.52	32.11
Donation	3.78	2.83	2.36
E-Mail & Internet	14.48	14.81	9.93
Fine & Penalty	0.67	0.27	0.33
Fire Extinguisher Expenses	5.96	6.17	5.34
Insurance	201.21	173.68	149.00
Legal & Professional Charges	65.01	132.84	65.85
Loss on Sale of Property, Plant & Equipment (net)	-	12.94	21.26
Loss on Derivative Instruments	19.41	-	80.44
Miscellaneous Expenses	33.29	27.25	22.53
Mobile Phone Expenses	3.57	2.83	2.34
News Paper Books & Periodicals	0.22	0.02	0.01
Postage & Stamps	2.94	2.52	1.87
Professional Tax	0.02	0.02	0.02
Q.S/ISO Expenses	4.68	3.58	5.04
Rates Fee & Taxes	28.06	27.13	32.35
Rent Account	35.17	37.51	25.89
Scooter Conveyance	1.41	1.36	1.42
Security Expenses	38.96	40.48	26.40
Shifting Charges	16.87	17.38	18.61
Stationery & Printing	35.51	31.23	24.55
Subscriptions	3.81	7.87	32.37
Sundry Balances Written Off	0.12	0.00	0.61
Software Expenses	26.58	37.95	21.01
Telephone Expenses	1.82	1.86	3.71
Travelling Expenses	257.26	205.28	167.84
Water & Sewerage Charges	1.88	3.06	3.66
Payment to Auditors	2.00	2.00	2.00
Cost Audit Fees	0.60	0.60	0.60
TPM Expenses	19.79	23.74	13.92
Ground Water Extraction Charges	2.78	2.21	0.00
Petrol Expenses	-	0.19	0.00
Excise Duty	-	0.07	0.00
Demat Charges	-	0.00	0.00
Safety Expenses	2.84	7.06	1.21
<b>Repairs</b>			
Building	179.03	155.49	150.25
Others	87.94	70.29	64.44
<b>Sub Total</b>	<b>1,161.46</b>	<b>1,093.40</b>	<b>1,017.92</b>
<b>Grand Total</b>	<b>17,607.25</b>	<b>14,952.73</b>	<b>12,436.30</b>

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**Note 31.1 Payments to Auditors As:-**

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>Auditors</b>			
Statutory Audit Fees & Certification Charges	1.63	1.63	1.63
Tax Audit Fees	0.38	0.38	0.38
<b>Total</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>

**Note 31.2 Value of Consumption of Spare Parts & Power & Fuel**

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
<b>CONSUMABLE STORES &amp; SPARES</b>			
Opening Stock	1064.12	807.65	606.78
CONSUMABLE STORES	601.67	532.63	523.67
PURCHASE CUTTING TOOLS	2697.97	2129.19	1762.66
TOOLS & DIES	1022.14	986.46	636.21
LUBRICANTS	1112.33	840.12	681.00
	6498.23	5296.05	4210.32
Less: Closing Stock	1451.31	1064.12	807.65
<b>Sub Total</b>	<b>5046.92</b>	<b>4231.94</b>	<b>3402.67</b>
<b>POWER AND FUEL</b>			
Opening Stock	25.11	22.47	27.69
FURNACE OIL	0.02	5.20	3.17
GAS (LPG)	650.36	587.53	591.12
ELECTRICITY EXPENSES	3,062.85	2,643.47	2,101.68
DIESEL	205.62	215.62	150.10
	3,943.97	3,474.30	2,873.76
Less: Closing Stock	26.31	25.11	22.47
<b>Sub Total</b>	<b>3,917.66</b>	<b>3,449.18</b>	<b>2,851.29</b>

**Note 31.3 Value of Repairs - Others**

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
REPAIR TO FURNITURE	2.76	2.52	0.67
REPAIR TO AIR CONDITIONER	7.62	6.95	6.36
REPAIR TO CAR	14.77	14.67	17.36
REPAIR TO COMPUTER	7.68	6.67	5.33
REPAIR TO COOLER	2.29	0.36	0.22
REPAIR TO CRANE	0.19	0.23	0.02
REP. TO CLOSE CIRCUIT T.V.	2.63	1.17	1.03
REPAIR TO FAN	1.51	1.99	2.19
REPAIR TO LIFTER	16.88	10.71	13.32
REPAIR TO MOBILE PHONE	0.17	0.04	0.12
REPAIR TO MOTOR CYCLE	0.22	0.16	0.25
REPAIR TO PHOTO STATE MACHINE	0.19	0.33	0.84
REPAIR TO SCOOTER	0.40	0.38	0.46
REPAIR TO TELEPHONE & PBX	0.70	1.72	0.58
REPAIR TO WEIGHING SCALE	1.74	4.76	1.25
REPAIR TO WATER COOLER	0.51	0.27	0.19
REPAIR TO U.P.S	4.49	2.52	7.16
REPAIR TO MISCELLANEOUS	3.67	2.93	0.47
REPAIR TO CRATE & TROLLEY	16.57	9.14	2.47
REPAIR MAINT. (R & D)	2.95	2.78	4.17
<b>Sub Total</b>	<b>87.94</b>	<b>70.29</b>	<b>64.44</b>

**Note (32) Corporate Social Responsibility (as per section 135 of the Companies Act, 2013 read with Schedule VII there of)**

As per Section 135 of the companies act,2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the act. The fund were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act,2013. The details are as under :-

Particulars	FOR THE YEAR 31.03.2025	FOR THE YEAR 31.03.2024	FOR THE YEAR 31.03.2023
(a) Gross amount required to be spent by the Company	44.87	26.75	29.08
(b) Amount of expenditure incurred	44.21	16.52	32.11
(i) Construction/Acquisition of assets			
(ii) On purposes other than (i) above	44.21	16.52	32.11
Unspent Amount	0.66	10.23	-
Amount adjusted with excess amount spent b/f from previous years	2.59	12.81	-
Excess spent amount carried forward in next year	1.93	2.59	12.81
(c) Related party transactions in relation to Corporate Social Responsibility	-	-	-



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**Note (33) Income Tax Expense**

Particulars	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR
	31.03.2025	31.03.2024	31.03.2023
(a) Current Tax:			
Current Year	950.00	725.00	610.00
Less: Adjustments for current tax of prior periods	-	-	0.31
Total (a)	950.00	725.00	610.31
(b) Deferred Tax:			
Deferred tax recognised in statement of profit or loss	-40.75	-94.26	-109.99
Deferred Tax recognised in other comprehensive income	4.34	-4.61	-4.65
Total (b)	(36.42)	(98.87)	(114.64)
<b>Total Tax expense (a+b)</b>	<b>913.58</b>	<b>626.13</b>	<b>495.66</b>

**Note 33.1 Reconciliation of Effective Tax Rate**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR
	31.03.2025	31.03.2024	31.03.2023
Profit Before Tax	3,810.71	3,043.30	1,881.62
Applicable Tax Rate (enacted tax rate in India)	25.168%	25.168%	25.168%
Expected Income Tax expense at statutory tax rate	959.08	765.94	473.57
Tax effect of:			
Expenses not deductible for tax purposes	4.43	30.59	20.69
Expenses deductible for tax purposes	-40.85	-129.46	-172.76
Other Items	36.42	-40.94	174.16
Tax expense for the year	913.58	626.13	495.66
Effective Tax Rate	23.97	20.57	26.34

**Note (34) Earning Per Share**

Basic earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of equity shares outstanding for the year. Diluted earnings per share have been computed by dividing profit attributable to equity shareholder by the weighted average number of shares and diluted potential equity shares outstanding for the year.

The following table reflects the income and share data used in the basic and diluted EPS computations

Particulars	FOR THE YEAR	FOR THE YEAR	FOR THE YEAR
	31.03.2025	31.03.2024	31.03.2023
Face value of Equity Shares (Rs.10 per share)			
Profit attributable to equity shareholders (A)	2,901	2,413	1,381
Equity shares at the beginning of the year	14,36,730	14,36,730	14,36,730
Weighted average number of equity shares for basic EPS (B)	14,36,730	14,36,730	14,36,730
Basic EPS (Amount in Rs.) (A/B)	201.95	167.92	96.14
Effect of Dilution:			
Weighted average number of potential equity shares	-	-	-
Weighted average number of equity shares adjusted for the effect of dilution	14,36,730	14,36,730	14,36,730
Diluted EPS (Amount in Rs.)	201.95	167.92	96.14

**Note (35) Derivative Financial Instruments**

Particulars	AS AT	AS AT	AS AT
	31.03.2025	31.03.2024	31.03.2023
Held to Maturity			
Fair Value through Profit or Loss			
Derivative Financial Assets		3.29	-
Derivative Financial Liabilities	2.52	-	34.78

Forward Contracts are measured at fair value. Amount represents unrealised gain/loss on forward contract booked for the purpose of hedging risk towards foreign currency exposures of company during the year.

**Note 35.1 Derivative Financial Assets****Details of Outstanding Forward Contracts As At 31.03.2024**

Booking Date	Maturity Date	Notional Amount	Fair Value
09-02-2024	13-08-2024	417.02	-0.45
18-04-2022	16-04-2024	333.61	4.04
09-02-2024	13-08-2024	449.37	-0.3
<b>Total</b>		<b>1,200.00</b>	<b>3.29</b>

**Note 35.2 Derivative Financial Liabilities****Details of Outstanding Forward Contracts As At 31.03.2025**

Booking Date	Maturity Date	Notional Amount	Fair Value
21-10-2024	23-04-2025	339.48	(2.52)

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**Details of Outstanding Forward Contracts As At 31.03.2023**

Booking Date	Maturity Date	Notional Amount	Fair Value
09-09-2021	09-09-2023	410.85	(14.65)
08-11-2021	08-11-2023	410.85	(13.75)
18-04-2022	16-04-2024	328.68	(10.04)
24-01-2023	27-07-2023	178.885	0.86
02-02-2023	11-08-2023	178.885	3.44
13-03-2023	20-09-2023	178.885	(2.02)
23-03-2023	29-09-2023	178.885	1.38
<b>Total</b>		<b>1,865.92</b>	<b>(34.78)</b>

**Derivatives not designated as Hedging Instruments:**

The Company uses foreign exchange forward contracts to manage its exposure to risks associated with foreign currency. These derivative contracts are not designated as hedging instrument in cash flow hedge and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward contracts.

All derivative contracts are recognised on the balance sheet and measured at fair value. Accounting method applied is as per Ind AS-109. Gain/loss arising on account of fair value changes are routed through profit or loss instead of other comprehensive income.

The following table includes the maturity profile of the foreign exchange derivatives as on 31.03.2025 contracts:

Particulars	Maturity			Total
	1 to 6 months	6 to 12 months	12 to 24 months	
As At 31.03.2025				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	4.00	-	-	4.00
Average Forward Rate (USD/INR)	85.50	-	-	

The following table includes the maturity profile of the foreign exchange derivatives as on 31.03.2024 contracts:

Particulars	Maturity			Total
	1 to 6 month	6 to 12 months	12 to 24 months	
As At 31.03.2024				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	-	5.00	4.00	9.00
Notional Amount (in EURO)	-	5.00	-	5.00
Average Forward Rate (USD/INR)	-	83.65	83.30	
Average Forward Rate (EURO/INR)	-	90.82	-	

The following table includes the maturity profile of the foreign exchange derivatives as on 31.03.2023 contracts:

Particulars	Maturity			Total
	1 to 6 month	6 to 12 months	12 to 24 months	
As At 31.03.2023				
Foreign Exchange Derivative Contract				
Notional Amount (in USD)	-	-	14.00	14.00
Notional Amount (in EURO)	-	8.00	-	8.00
Average Forward Rate (USD/INR)	-	-	83.57	
Average Forward Rate (EURO/INR)	-	90.54	-	

**Note (36) Fair Value Measurements**

**(i) Financial Instruments by category**

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability disclosed.

As At 31.03.2025

**a) Financial Assets**

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	2.07	22.99	-	25.06
(ii) Other Financial Assets	-	-	525.45	525.45
(iii) Trade Receivables	-	-	5,471.14	5,471.14
(iv) Cash & Cash Equivalents	-	-	738.69	738.69
(v) Other Balances with Banks	-	-	4.76	4.76
(vi) Lease Receivables	-	-	-	-
(viii) loans & Advances	-	-	196.17	196.17

**b) Financial Liabilities**

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	5,516.56	5,516.56
(ii) Lease Liabilities	-	-	45.63	45.63
(iii) Current Borrowings	-	-	4,671.73	4,671.73
(iv) Trade Payables	-	-	5,931.89	5,931.89
(iv) Other Financial Liabilities	-	2.52	2,490.88	2,493.40

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As At 31.03.2024

a) Financial Assets

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at amortised cost	hbr
(i) Investments	-	22.80	-	22.60
(ii) Other Financial Assets	-	3.29	385.52	388.81
(iii) Trade Receivables	-	-	4,577.39	4,577.39
(iv) Cash & Cash Equivalents	-	-	2,466.86	2,466.86
(v) Other Balances with Banks	-	-	4.56	4.56
(vi) Lease Receivables	-	-	22.99	22.99
(viii) loans & Advances	-	-	227.63	227.63

b) Financial Liabilities

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	7,097.68	7,097.68
(ii) Lease Liabilities	-	-	57.75	57.75
(iii) Current Borrowings	-	-	4,039.53	4,039.53
(iv) Trade Payables	-	-	6,013.12	6,013.12
(v) Other Financial Liabilities	-	-	988.98	988.98

As At 31.03.2023

a) Financial Assets

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at Amortised cost	Total Fair Value
(i) Investments	-	13.88	-	13.88
(ii) Other Financial Assets	-	-	312.71	312.71
(iii) Trade Receivables	-	-	4,448.73	4,448.73
(iv) Cash & Cash Equivalents	-	-	1,899.07	1,899.07
(v) Other Balances with Banks	-	-	4.36	4.36
(vi) Lease Receivables	-	-	44.22	44.22
(viii) loans & Advances	-	-	406.08	406.08

b) Financial Liabilities

Instruments carried at fair value/amortised cost.

Particulars	FVOCI	FVTPL	Instruments carried at amortised cost	Total Fair Value
(i) Non Current Borrowings	-	-	8,247.74	8,247.74
(ii) Lease Liabilities	-	-	71.44	71.44
(iii) Current Borrowings	-	-	5,983.78	5,983.78
(iv) Trade Payables	-	-	4,234.33	4,234.33
(v) Other Financial Liabilities	-	34.78	448.45	483.23

The carrying amounts of trade receivables, trade payable, cash & cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair value.

## (ii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining fair values of the financial instruments that are:

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Ind AS 113 which are as below:

Level 1: It includes financial instruments measured at using quoted prices and the mutual funds are measured at closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## (iii) Valuation Technique used to determine fair value

a) The fair value of investments in mutual fund units is based on the Net Asset Value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which issuers will redeem such units from the investors.

b) The fair value of investments in unquoted equity shares is based on the Net Asset Value (NAV) of the equity shares of such companies i.e. book value of the Net Worth of the Companies.

c) the fair value of forward exchange contracts is determined using forward exchange rates at the balance sheet date.

d) the fair value of interest-bearing borrowings & loans are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of reporting year.

e) the fair value of the remaining financial instruments is determined using discounted cash flow analysis using rates currently available for debt on similar terms, credit risk & remaining maturities.

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(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)

CIN: U74899DL1983PLC029298

(All amounts in INR lakhs, unless otherwise stated)

The below table summarises the categories of financial assets and financial liabilities as at 31.03.2025 are as follows:

	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
<b>As At 31.03.2025</b>				
<b>Financial Assets at Fair Value through Profit or Loss</b>				
Investments in Mutual Funds	22.99	-	-	22.99
<b>Financial Assets at Fair Value through OCI</b>				
Investments in Unquoted Equity Shares			2.07	2.07
<b>Financial Liabilities at Fair Value through Profit or Loss</b>				
Derivative Financial Liabilities	-	2.52	-	2.52

The below table summarises the categories of financial assets and financial liabilities as at 31.03.2024 are as follows:

	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
<b>As At 31.03.2024</b>				
<b>Financial Assets at Fair Value through Profit or Loss</b>				
Investments in Mutual Funds	22.60	-	-	22.60
Derivative Financial Assets	-	3.29	-	3.29

The below table summarises the categories of financial assets and financial liabilities as at 31.03.2023 are as follows:

	Quoted prices in active markets Level 1	Significant Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
<b>As At 31.03.2023</b>				
<b>Financial Assets at Fair Value through Profit or Loss</b>				
Investments in Mutual Funds	13.88	-	-	13.88
<b>Financial Liabilities at Fair Value through Profit or Loss</b>				
Derivative Financial Liabilities		34.78	-	34.78

Note (37) Assets and Liabilities relating to Employee Benefits as per IND-AS 19

See Accounting policy in note 1

For details about the related employee benefit expenses see note 43

**A. Defined Contribution Plan:**

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contributions plans are as detailed below:

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
<b>Provident Funds and Other Funds</b>	443.25	398.17	333.49
ESIC	117.86	104.12	91.72
Labour Welfare Fund	5.41	4.90	5.16
National Pension Scheme	9.71	13.14	11.42
<b>Total</b>	<b>576.22</b>	<b>520.33</b>	<b>441.79</b>

**B. Defined Benefit Obligation:****Background:**

Gratuity is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & investment risks are borne by the enterprise.

The Net Defined Benefit Liability/(Asset) is the Net (Surplus)/Deficit in the plan netted off by effect of Asset Ceiling, if any. It is arrived by deducting Fair Value of Plan Assets from the Defined Benefit Obligation as on the date of valuation.

As required under para 67 of ind-AS 19 actuarial valuation is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service upto date of valuation) are to be considered for valuation. present value of defined benefit obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and project the benefit till the time of retirement of each active member using assumed rates of salary escalation, mortality and employee turnover rates. The expected benefit payments are then discounted back from the future date of payment to the date of valuation using the assumed discount rate.

Service Cost is calculated separately in respect of benefit accrued during the current period using the same method as described above. However, instead of all accrued benefits, benefit accrued over the current reporting period is considered.

**Recognition of Actuarial Gains/Losses**

All the remeasurements, comprising of actuarial gains/losses on DBO & Fair value of assets, arising during the reporting period have been recognized in full through outside of Profit & Loss account through Other Comprehensive income.

**Discount Rate:**

Discount Rate for this valuation is based on Government bonds having similar term to duration of liabilities. Due to lack of a deep & secondary bond market in India, government bond yields are used to arrive at the discount rate.

**Risk Posed by the Plan**

Gratuity is a multiple of last drawn salary paid at the time of retirement/resignation/death. The actuarial risk i.e. unusual (typically high) salary growth or turnover rate can increase the cost of providing the benefit. It can also alter timing of cashflows. This risk is borne by the employer. Gratuity is paid as lumpsum and hence there is no longevity risk involved.

**Various Risk Exposures****Salary escalation rate**

More than expected increase in the future salary levels may result in increase in the liability

**Employee Turnover rate/Withdrawal rate**

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase in the liability

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**Mortality / Disability**

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase in the liability

**Discount Rate**

In case the yield on the government bonds drops in the future period then it may result in increase in the liability

**Investment Risk**

If the plan is funded then in case the actual return on the plan assets drops in the future period it may result in increase in the liability. There is also a risk of asset liability matching i.e. the cashflow for plan assets does not match with cashflow for plan liabilities.

**Asset Information**

The scheme is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company.

**Funding Requirements**

Currently there are no minimum funding requirements in India. The investments made by the trust are regulated by the Income Tax Act. The enterprise and the trustees should ensure compliance with the provisions of the said act.

Amount Recognised in the Statement of Financial Position at the Period-End.	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Gross Present Value of Defined Benefit Obligation	1748.73	1502.52	1243.21
Fair Value of Plan Assets	1557.13	1346.20	992.39
<b>Net Defined Benefit (Asset)/Liability Recognised in Statement of Financial Position</b>	<b>191.60</b>	<b>156.33</b>	<b>250.82</b>

Net Defined Benefit Cost/(Income) included in the Statement of Profit & Loss at the Period-End	For the Year 24-25	For the Year 23-24	For the Year 22-23
Service Cost	204.77	198.74	170.49
Net Interest Cost	-0.57	13.26	13.26
Past Service Cost	-	-	-
Administration Expenses	-	-	-
(Gain)/Loss due to Settlement/ Curtailments/ Terminations/ Divestitures	-	-	-
<b>Total Defined Benefit Cost/(Income) included in the Statement of Profit &amp; Loss at the Period-End</b>	<b>204.21</b>	<b>212.00</b>	<b>183.76</b>

Current/ Non-Current Bifurcation	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Current Benefit Obligation	597.36	522.26	395.04
Non-Current Benefit Obligation	1151.37	980.26	848.17
<b>(Asset)/ Liability Recognised in the Balance Sheet</b>	<b>1,748.73</b>	<b>1,502.52</b>	<b>1,243.21</b>

Actual Return on Plan Assets	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Interest Income on Plan Assets	95.45	72.05	46.14
Remeasurements on Plan Assets	9.85	6.35	5.72
<b>Total Return on Plan Assets</b>	<b>105.30</b>	<b>78.40</b>	<b>51.87</b>

Analysis of Amounts Recognised in Other Comprehensive (Income)/ Loss at Period-End	For the Year 24-25	For the Year 23-24	For the Year 22-23
Amounts recognised in OCI, Beginning of Period	73.25	28.80	2.69
Remeasurements due to:			
Effect of Change in Financial Assumptions	32.30	7.51	-44.02
Effect of Change in Demographic Assumptions	-	-	-
Effect of Experience Adjustments	4.77	43.29	75.86
(Gain)/ Loss on Curtailments/ Settlements	-	-	-
Return on Plan Assets (excluding interest)	-9.85	-6.35	-5.72
Changes in Asset Ceiling	-	-	-
<b>Total Remeasurements recognised in OCI</b>	<b>27.22</b>	<b>44.45</b>	<b>26.11</b>
<b>Amount Recognised in OCI, End of Period</b>	<b>100.47</b>	<b>73.25</b>	<b>28.80</b>

Total Defined Benefit Cost/(Income) included in Profit & Loss and	For the Year 24-25	For the Year 23-24	For the Year 22-23
Amount recognised in P&L, End of Period	204.21	209.52	183.76
Amount recognised in OCI, End of Period	27.22	44.45	26.11
<b>Total Net Defined Benefit Cost/(Income) recognised at Period-End</b>	<b>231.43</b>	<b>253.97</b>	<b>209.87</b>

Change in the Unrecognised Asset due to Asset Ceiling during the period	For the Year 24-25	For the Year 23-24	For the Year 22-23
Unrecognised Asset, Beginning of the Period	-	-	-
Interest on unrecognised Asset Recognised in P & L	-	-	-
Other changes in Unrecognised Asset due to Asset Ceiling	-	-	-
Unrecognised Asset, End of Period	-	-	-

Change in Defined Benefit Obligation during the period	For the Year 24-25	For the Year 23-24	For the Year 22-23
Defined Benefit Obligation, Beginning of period	1,502.52	1,243.21	1,045.70
Net Current Service Cost	204.77	198.74	170.49
Interest Cost on DBO	94.88	82.83	59.41
Actual Plan Participants' Contributions	-	-	-
Actuarial (Gains)/Losses	37.07	50.80	31.84
Changes in Foreign Currency Exchange Rates	-	-	-
Acquisition/ Business Combination/ Divestiture	-	-	-
Benefits Paid	-90.52	-73.08	-64.23
Past Service Cost	-	-	-
Losses/ (Gains) on Curtailments/ Settlements	-	-	-
<b>Defined Benefit Obligation, End of Period</b>	<b>1,748.73</b>	<b>1,502.52</b>	<b>1,243.21</b>

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Change in Fair Value of Plan Assets during the period	For the Year 24-25	For the Year 23-24	For the Year 22-23
Fair Value of Plan Assets, Beginning of Period	1,346.20	992.39	752.76
Interest Income Plan Assets	95.45	72.05	46.14
Actual Company Contributions	196.15	348.47	251.99
Actual Plan Participants' Contributions	-	-	-
Actual Taxes paid	-	-	-
Actual Administration Expenses Paid	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-
Actuarial Gains/ (Losses)	9.85	6.35	5.72
Benefits Paid	-90.52	-73.06	-64.23
Acquisition/ Business Combination/ Divestiture	-	-	-
Assets extinguished on Curtailments/ Settlements	-	-	-
Fair Value of Plan Assets, End of Period	1,557.13	1,346.20	992.39

Reconciliation of Balance Sheet Amount	For the Year 24-25	For the Year 23-24	For the Year 22-23
Balance Sheet (Asset)/ Liability, Beginning of Period	156.33	250.82	292.95
True-up	-	-	-
Total Charge/ (Credit) recognised in Profit and Loss	204.21	209.52	183.76
Total Remeasurements recognised in OC (Income)/ Loss	27.22	44.45	26.11
Acquisitions/ Business Combinations/ Divestitures	-	-	-
Actual Company Contribution/ Benefit Payouts Directly by the Company	-196.15	-348.47	-251.99
Other Events	-	-	-
Balance Sheet (Asset)/ Liability, End of Period	191.60	156.33	250.82

Financial Assumptions used to Determine the Defined Benefit Obligation	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Discount Rate	6.45%	7.09%	7.26%
Salary Escalation Rate	6.00%	6.00%	6.00%

Financial Assumptions used to Determine the Profit & Loss Charge	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Discount Rate	6.45%	7.09%	7.26%
Salary Escalation Rate	6.00%	6.00%	6.00%
Expected Return on Plan Assets	6.45%	7.09%	7.26%

Demographic Assumptions used to Determine the Defined Benefit Obligation	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Withdrawal Rate	20.00%	20.00%	20.00%
Mortality Rate	IALM (2012-14) UIt	IALM (2012-14) UIt	IALM (2012-14) UIt
Retirement Age	58 Years	58 Years	58 Years

Asset Category	As At 31.03.2025	As At 31.03.2025	As At 31.03.2025
	Quoted Value	Non-Quoted Value	Total
Government of India Securities (Central & State)	-	-	-
High Quality Corporate Bonds (including Public Sector Bonds)	-	-	-
Equity Shares of the Company	-	-	-
Insurer Managed Funds & T-bills	-	99.83%	99.83%
Cash (including Bank Balance, Special Deposit Scheme)	-	0.17%	0.17%
Others	-	-	-
<b>Total</b>		<b>100.00%</b>	<b>100.00%</b>

The scheme is funded through a Trust. The trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The trust also maintains a savings account. Total fund size as on valuation date is Rs.15,57,12,735

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Expected Contribution for the Next Period	01.04.2025-31.03.2026	01.04.2024-31.03.2025	01.04.2023-31.03.2024
Expected Contribution	382.71	319.90	391.39

Expected Cash Flows for the Next 10 Years	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
	616.32	540.46	409.13
Year- 2027	269.53	265.72	200.11
Year- 2028	251.34	142.48	194.63
Year- 2029	209.08	139.04	145.84
Year- 2030	177.79	101.63	136.56
Year- 2031-2035	452.41	306.11	360.99

Defined Benefit Obligation by participant Status	Amount	Amount	Amount
a. Actives	1748.73	1045.70	1243.21
b. Vested Deferreds	-	-	-
c. Retirees	-	-	-
Total	1,748.73	1,045.70	1,243.21

Sensitivity Analysis	Amount	Amount	Amount
Defined Benefit Obligation- Discount Rate +100 Basis Points	-49.80	-32.61	-35.98
Defined Benefit Obligation- Discount Rate -100 Basis Points	53.76	35.24	38.76
Defined Benefit Obligation- Salary Escalation +100 Basis Points	53.50	36.37	39.62
Defined Benefit Obligation- Salary Escalation -100 Basis Points	-52.06	-34.95	-38.39
Defined Benefit Obligation- Attrition/Withdrawal +100 Basis Points	-2.27	-1.90	-0.26
Defined Benefit Obligation- Attrition/Withdrawal -100 Basis Points	2.14	1.88	0.08

**Methodology, Assumptions and Limitation in respect of Sensitivity Analysis**

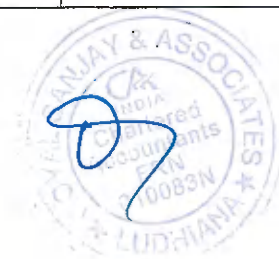
Sensitivity analysis is carried out by the PUCM method by changing only the respective assumption and keeping all other assumptions same as that used to estimate the liability. The impact given is the difference between the liability as on date of valuation and the liability if given assumption changes by the stated amount. The limitation of this method is that it considers the change in the respective assumption in isolation without affecting the other assumptions which in reality may not be the case. Nonetheless the methodology gives fair idea of the impact on the liability in case the given assumption changes.

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	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
<b>Contingent liabilities</b>			
a) Claims against the Company not acknowledged as debt			
(i) #GST Demand (net of deposit paid)	0.84	Nil	Nil
(ii) #Income Tax Demand *	27.99	27.99	27.99
# The above matters are subject to legal proceedings in the ordinary course of business. On the basis of current status of the cases and as per legal advice obtained, wherever applicable, along with the opinion of Management, when ultimately concluded will not have material effect on the results of operations or financial operations of the Company.			
* According to us income tax demands shown on the portal is incorrect. We have also replied against the outstanding demand raised by the department for the removal of the said demand.			
(b) Bank Guarantees	Nil	10.13	10.13
(c) Other money for which the Company is contingently liable			
1. Letters of Credit,	Nil	Nil	Nil
2. Bills Discounted	5269.50	4533.21	3574.08
<b>Commitments</b>			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for			
Tangible assets	Nil	Nil	Nil
Intangible assets	Nil	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil	Nil
(c) Other commitments (specify nature)	Nil	Nil	Nil

**Note (39) Value of imports calculated on CIF basis:**

Particulars	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Purchase Raw Material	3.72	-	70.57
Purchase of Tools & Dies	8.85	22.43	5.58
Purchase of Machinery Spare Parts	-	6.77	-
Purchase of Machinery	95.27	63.76	-
Repair to Machinery	9.06	-	-



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Particulars	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Purchase of Raw Material	3.64	-	64.72
Purchase of Tools & Dies	8.76	22.22	5.18
Purchase of Machinery	89.48	-	
Staff Recruitment & Training	105.02	52.88	48.44
Traveling Expenses	93.38	63.38	61.40
Foreign Agent Commission	-	-	2.92
Workspace Fees	3.15	-	
Warehousing Charges	5.62	7.58	5.93
Job Work	0.46	14.36	23.75
Interest on Foreign Currency Loans-MTL	3.25	21.88	38.77
Repair to Machinery	8.95	6.72	

**Note (41) Details of consumption of imported and indigenous items:**

Particulars	As At 31.03.2025		As At 31.03.2024		As At 31.03.2023	
	% age	Rs. In Lakhs	% age	Rs. In Lakhs	% age	Rs. In Lakhs
RAW MATERIAL – Indigenous #	99.99%	40278.48	100%	37944.67	99.82%	35037.78
Imported	0.01%	3.64	Nil	Nil	0.18%	64.72
<b>TOTAL</b>	<b>100%</b>	<b>40282.12</b>	<b>100%</b>	<b>37944.67</b>	<b>100%</b>	<b>35102.50</b>
STORES & SPARES – Indigenous	99.82%	5034.51	100%	4231.94	100%	3402.67
Imported	0.18%	8.76	Nil	Nil	Nil	Nil
<b>TOTAL</b>	<b>100%</b>	<b>5043.27</b>	<b>100%</b>	<b>4231.94</b>	<b>100%</b>	<b>3402.67</b>

**Note (42) Earnings in foreign exchange:**

Particulars	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Export of goods calculated on FOB basis	3653.32	4506.41	3185.22

**KAY JAY FORGINGS LIMITED****(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)****CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)****Note (43) Related Party Disclosure**

Related Party Disclosure (as identified by the management) as required as per Indian Accounting Standard (Ind-AS 24) on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, is as below:

**43.1 Related parties and their relationships as per Ind AS 24**

<b>Name of Related Parties</b>	<b>Designation/Relationship</b>
Gopal Krishan Kothari	Managing Director
Amit Kothari	Director
Naveen Behl	Whole-Time Director
Pankaj Periwal	Independent Director (w.e.f. 19.12.2024)
Mohina	Independent Director (w.e.f. 19.12.2024)
Amit Verma	Company Secretary (w.e.f. 11.11.2024)
Manohar Lal Dhiman	Director (Till December 2024)
Gobind Singh Kapoor	Director (Till March 2024)
Nand Lal Kothari	Brother of Mr. Gopal Krishan Kothari
Savitri Devi	Mother in Law of Mr. Gopal Krishan Kothari
Madhu Kothari	Wife of Mr. Gopal Krishan Kothari
Mannat Kothari	Wife of Mr. Amit Kothari
Tamanna Kothari	Daughter of Mr. Amit Kothari
Amanat Kothari	Daughter of Mr. Amit Kothari
Avneet Kaur	Wife of Mr. Gobind Singh Kapoor (Till March 2024)
G.K.Kothari & Sons	Enterprises over which control or significant influence
Amit Kothari-HUF	
Kothari Exports Inc.	
Micro Coaters	
Shaheed N Tundup Sewamandal Autocare	
Oswal Industrial Enterprises Pvt. Ltd.	
Pure Infratech	
Shiva Shakti Industries	
Naveen Behl HUF	

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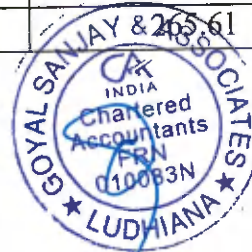
43.2 The company' related party transactions during the year and outstanding balance as on 31.3.2025 are as below:-

**Disclosure in Respect of Related Party Transactions during the year:**

Particulars	31.03.2025	31.03.2024	31.03.2023
<b>Remuneration including Bonus &amp; Leave with Wages</b>			
Gopal Krishan Kothari	135.20	135.08	203.04
Amit Kothari	67.67	81.08	175.04
Naveen Behl	124.61	114.10	104.31
Manohar Dhiman	25.31	32.99	29.95
Mannat Kothari	40.70	40.58	40.54
Madhu Kothari	40.70	40.58	40.54
Amit Verma	2.31	-	-
Gobind Singh Kapoor	-	58.28	53.79
Avneet Kaur	-	30.14	24.97
<b>Total</b>	<b>436.5</b>	<b>532.83</b>	<b>672.18</b>
<b>Interest Paid</b>			
Amit Kothari	3.68	4.44	21.19
Naveen Behl	0.00	0.00	10.17
Savitri Devi	0.45	0.45	0.45
Madhu Kothari	5.20	3.11	15.81
Mannat Kothari	0.92	2.29	6.06
G.K. Kothari & Sons	71.33	71.48	72.36
Amit Kothari HUF	7.07	6.37	5.83
Naveen Behl HUF	13.50	13.54	3.33
<b>Total</b>	<b>102.15</b>	<b>101.68</b>	<b>135.2</b>
<b>Sale of Land</b>			
Gopal Krishan Kothari	55.00	-	-
<b>Interest Income</b>			
Oswal Industrial Enterprises Pvt. Ltd.	104.83	167.35	-
<b>Freight Paid</b>			
Kothari Exports Inc	939.29	941.64	114.99
<b>Rent Received regarding Lease Receivable</b>			
Kothari Exports Inc.	24.00	24.00	24.00
Pure Infratech	0.52	0.49	-

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Pure Infratech	0.52	0.49	-
Shiva Shakti Industries	0.51	0.44	-
<b>Total</b>	<b>25.03</b>	<b>24.93</b>	<b>24.00</b>
<b>Rent Paid</b>			
Nand Lal Kothari	0.70	0.70	0.70
Tamanna Kothari	6.60	4.95	-
<b>Total</b>	<b>7.30</b>	<b>5.65</b>	<b>0.70</b>
<b>Staff Recruitment &amp; Training</b>			
Tamanna Kothari	37.86	52.88	48.44
Amanat Kothari	67.16	-	-
<b>Total</b>	<b>105.02</b>	<b>52.88</b>	<b>48.44</b>
<b>Unsecured Loan Accepted</b>			
Gopal Krishan Kothari	984.00	1093	1089
Mannat Kothari	35.50	13.50	77.20
Madhu Kothari	45.50	21.50	283.35
Amit Kothari	564.50	531.00	587.90
G K Kothari & Sons	123.70	450.00	15.90
Amit Kothari HUF	10.00	5.10	4.20
Savitri Devi	-	-	150.00
<b>Total</b>	<b>1763.2</b>	<b>2114.1</b>	<b>2207.55</b>
<b>Unsecured Loan Granted</b>			
Oswal Industrial Enterprises Pvt. Ltd.	1590.00	2490.00	-
<b>Loan Repayments</b>			
Oswal Industrial Enterprises Pvt. Ltd.	1590.00	2490.00	-
Gopal Krishan Kothari	111.25	986.63	976.03
Mannat Kothari	0.72	37.51	151.89
Madhu Kothari	1.19	255.66	296.91
Amit Kothari	536.58	526.07	575.47
G K Kothari & Sons	0.36	456.00	23.62
Naveen Behl	0.00	0.00	150.00
<b>Total</b>	<b>2240.10</b>	<b>4751.87</b>	<b>2173.92</b>
<b>Job Work</b>			
Micro Coaters	135.98	94.48	63.96
<b>Power &amp; Fuel, Truck exp. &amp; Car exp.</b>			
Shaheed & Tundup Sewamandal Care	265.61	250.57	148.51



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Particulars	31.03.2025	31.03.2024	31.03.2023
<b>Remuneration including Bonus &amp; Leave with Wages</b>			
Gopal Krishan Kothari	20.97	20.73	17.50
Amit Kothari	7.52	12.71	10.88
Naveen Behl	19.88	18.73	16.60
Manohar Dhiman	2.56	4.76	4.29
Gobind Singh Kapoor	-	-	7.01
Mannat Kothari	7.41	6.54	6.67
Madhu Kothari	7.43	6.53	6.67
Amit Verma	0.57	-	4.39
Avneet Kaur	-	20.73	17.50
<b>Total</b>	<b>66.34</b>	<b>90.73</b>	<b>91.51</b>
<b>Provision for Gratuity (Long-Term)</b>			
Gopal Krishan Kothari	20.00	20.00	20.00
Amit Kothari	15.84	15.47	15.35
Naveen Behl	20.00	20.00	20.00
Manohar Dhiman	20.00	18.81	17.88
Mannat Kothari	15.84	15.47	15.35
Madhu Kothari	20.00	20.00	20.00
Gobind Singh Kapoor	-	4.16	2.28
Avneet Kaur	-	2.52	1.35
<b>Total</b>	<b>111.68</b>	<b>116.43</b>	<b>112.21</b>
<b>Other Advances</b>			
Kay Jay Forgings (P) Ltd Group Gratuity Trust	0.88	0.88	0.88
Kothari Exports Inc	-	-	15.23
<b>Freight Payable</b>			
Kothari Exports Inc	0.96	33.51	-
<b>Rent Recievable</b>			
Pure Infratech	0.60	0.49	-
Shiva Shakti Industries	0.61	0.44	-
<b>Rent Payable</b>			

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Nand Lal Kothari	0.70	-	2.47
<b>Unsecured Loans</b>			
Gopal Krishan Kothari	991.45	1119.96	1013.59
Amit Kothari	550.67	522.75	517.82
Savitri Devi	0.00	0.00	0.00
Madhu Kothari	3.77	3.77	3.77
Mannat Kothari	63.97	30.44	264.60
G.K. Kothari & Sons	712.62	592.52	598.52
Amit Kothari HUF	65.55	55.55	50.45
Naveen Behl HUF	150.00	150.00	150.00
<b>Total</b>	<b>2538.03</b>	<b>2474.99</b>	<b>2598.75</b>

**43.4 Terms & Conditions:**

- (a) The company's principal related parties consist of its key managerial personnel. The company's related party transactions & outstanding balances at year end are with related parties with whom the company routinely enters into transactions in the ordinary course of business.
- (b) All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.
- (c) Details of loans given, investments made and guarantees given are complied with Section 186 (4) of the Companies Act, 2013. Purpose of loans & advances made by the company are general business purpose.

**Note (44)** Disclosure under the MSME Act, 2006 ("Micro Small and Medium Enterprises Development Act 2006"):-

S.N.	Particulars	Amount as at 31.3.2025	Amount as at 31.3.2024	Amount as at 31.3.2023
1.	Total payments due as at the end of each accounting year on account of <b>Principal #</b>	1101.46	1096.14	401.53
2.	<u>Interest due</u> to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil	Nil
3.	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	Nil	Nil	Nil

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4.	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year.	Nil	Nil	Nil
5.	The amount of interest due & 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 the MSMED Act, 2006	Nil	Nil	Nil
6.	The amount of interest accrued & remaining unpaid at the end of each accounting year.	Nil	Nil	Nil
7.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act, 2006	Nil	Nil	Nil

# Includes Creditors for Capital Goods.



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**Note (45) Segment Reporting As Per IND-AS 108**

The Managing Director & Whole-Time Director are identified as the Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined only one reporting segment for the Company.

**(a) Information about Geographical Areas as per Para 33**

Revenue from External Customers	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Geography Wise			
Within India	71,301.65	62,635.87	56,840.50
Outside India	3,744.74	4,595.77	3,428.73

**(b) Information about Non-current Assets:**

The Company has non-current operating assets within India only. Hence, separate figures for domestic as well as overseas market are not required to be furnished.

**(c) Information about Major Customers as per para 34**

As per Ind-AS, sales to customer for 10% or more of the company's total revenue is considered major customer.

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
No. of Customers	1	1	1
Amount	51343.14	47416.44	39317.51

**Note (46) Capital Risk Management**

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings and strategic acquisitions. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk. Majorly Company raise long term loan for its CAPEX requirement and based on the working capital requirement utilise the working capital loans.

The company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than current investments.

The gearing ratio at the end of reporting year was as follows:

Particulars	AS AT 31.03.2025	AS AT 31.03.2024	AS AT 31.03.2023
Non-Current Borrowings	5,516.56	7,097.68	8,247.74
Short-Term Borrowings	4,671.73	4,039.53	5,983.78
Lease Liabilities	45.63	57.75	71.44
Gross Debt	10,233.93	11,194.96	14,302.95
Less: Cash & Cash Equivalents	743.46	2,471.42	1,903.43
Net Debt (A)	9,490.47	8,723.54	12,399.52
Total Equity (B)	16,287.06	13,417.16	11,044.44
Gearing Ratio (A/B)	58.27	65.02	112.27

(i) Equity includes all capital and reserves of the company that are managed as capital.

(ii) Debt is defined as long and short-term borrowings (excluding derivatives and financial guarantee contracts).

(iii) Cash & Cash equivalent includes cash and other balances with banks

**Note (47) Financial Risk Management**

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The company has various financial assets such as trade receivables, short-term deposits and cash & cash equivalents, which arise directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risk and also ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured & managed in accordance with the Company's policies & risk objectives.

**47.1 Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk or commodity price risk.

Financial instruments affected by market risk includes loans & borrowings, debt and equity investments and derivative financial instruments.

**(i) Foreign Currency Risk:**

The company's foreign currency risk arises from its foreign currency revenues & expenses (primarily in US Dollars \$). The company's functional currency is Indian Rupees (₹). The company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The company is exposed to exchange rate risk under its trade portfolio.

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Adverse movements in the exchange rate between the rupee and any relevant foreign currency results in increase in the company's overall debt position in rupee terms without the company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the company's receivables in foreign currency.

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Foreign currency exposures arises from the following:

- Transactions with foreign customers
- Foreign currency external commercial borrowing
- Forward contracts used for hedging currency risk.
- Financial instrument where no hedging has taken place.

**Foreign Exchange Risk Management Policy:**

- The company has a structured foreign exchange risk management policy
- Regular monitoring of foreign currency exposure.
- Use of derivative instruments such as forward contracts to hedge currency risk.
- Periodic review by the management and the board of directors on the risk exposure and mitigation strategies.
- Natural hedging through offsetting foreign currency inflows and outflows wherever possible.

**Hedged Foreign Currency Exposure**

(A) The foreign currency profile as on 31.03.2025 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount in Rs.
<b>Foreign Currency Receivable</b>			
Trade Receivables	2.75	USD	234.71
Trade Receivables	8.77	EURO	808.02
Loans & Advances	0.06	EURO	5.52
<b>Total</b>	<b>11.52</b>		<b>1,048.25</b>
<b>Foreign Currency Payable</b>			
Warehousing Charges	(0.01)	EURO	(1.28)
Workspace Fees	(0.04)	USD	(3.16)
<b>Total</b>	<b>(0.05)</b>		<b>(4.45)</b>
<b>Derivative Financial Instrument</b>			
Forward Contracts Outstanding	(4.00)	USD	(341.80)
<b>Total</b>	<b>(4.00)</b>		<b>(341.80)</b>
<b>Net Unhedged Foreign Currency Exposure</b>			
	(1.29)	USD	(110.25)
	8.82	EURO	812.26
<b>Total</b>			<b>702.01</b>

The exchange rate as at 31.03.2025 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD	85.45	85.45
EURO	92.10	92.10

(A) The foreign currency profile as on 31.03.2024 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount in Rs.
<b>Foreign Currency Receivable</b>			
Trade Receivables	2.98	USD	248.39
Trade Receivables	7.87	EURO	706.93
Loans & Advances	6.62	YEN	3.65
<b>Total</b>	<b>10.84</b>		<b>958.97</b>
<b>Foreign Currency Payable</b>			
Warehousing Charges	(0.06)	EURO	(5.27)
Interest on External Commercial Borrowings	(0.03)	USD	(2.76)
<b>Total</b>	<b>(0.09)</b>		<b>(8.02)</b>
<b>Derivative Financial Instrument</b>			
Forward Contracts Outstanding	(9.00)	USD	(750.63)
Forward Contracts Outstanding	(5.00)	EURO	(449.37)
<b>Total</b>	<b>(14.00)</b>		<b>(1,200.00)</b>
<b>Net Unhedged Foreign Currency Exposure</b>			
	(6.05)	USD	
	6.62	YEN	
	2.81	EURO	
<b>Total</b>			<b>(249.05)</b>

The exchange rate as at 31.03.2024 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD	83.40	83.40
EURO	89.87	89.87
YEN	0.55	0.55

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**Hedged Foreign Currency Exposure**

(A) The foreign currency profile as on 31.03.2023 are as below:

Particulars	Amount in Foreign Currency	Foreign Currency	Amount in Rs.
<b>Foreign Currency Receivable</b>			
Trade Receivables	4.46	USD	366.79
Trade Receivables	7.14	EURO	638.21
<b>Total</b>	<b>11.60</b>		<b>1,005.00</b>
<b>Foreign Currency Payable</b>			
Commission Charges	(0.02)	EURO	(1.44)
Warehousing Charges	(0.02)	EURO	(1.89)
Interest on External Commercial Borrowings	(0.08)	USD	(6.26)
<b>Total</b>	<b>(0.11)</b>		<b>(9.59)</b>
<b>Derivative Financial Instrument</b>			
Forward Contracts Outstanding	(14.00)	USD	(1,150.38)
Forward Contracts Outstanding	(8.00)	EURO	(715.54)
<b>Total</b>	<b>(22.00)</b>		<b>(1,865.92)</b>
<b>Net Unhedged Foreign Currency Exposure</b>	<b>(9.61)</b>	USD	
<b>Total</b>	<b>(0.90)</b>	EURO	
			<b>(870.51)</b>

The exchange rate as at 31.03.2023 considered are as follows:

Particulars	Selling Rate	Buying Rate
USD	82.17	82.17
EURO	89.44	89.44

The company has derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rate in foreign currency exposure. The counterparty for these contracts is generally a bank.

The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

**Currency Risk Sensitivity Analysis**

The following table details the company's sensitivity to a 5% increase and decrease in the rupee against the relevant foreign currencies is the sensitivity rate used when reporting risk of reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the company at the end of the reporting period.

As At 31.03.2025

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(5.51)	5.51
EURO	40.61	(40.61)

As At 31.03.2024

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(25.25)	25.25
EURO	(12.61)	12.61
YEN	(0.18)	0.18

As At 31.03.2023

Particulars	Impact on profit before tax (increase in rate 5%)	Impact on profit before tax (decrease in rate 5%)
USD	(18.03)	18.03
EURO	(31.74)	31.74

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**(ii) Price Risk**

Price risk is the risk of fluctuations in the fair value of financial instruments due to changes in market prices, excluding risks arising from interest rate or currency movements. The Company is primarily exposed to price risk from investments in equity instruments that are measured at fair value.

**Exposure to Price Risk**

The Company's exposure to price risk arises from:

Investments classified as Fair Value Through Other Comprehensive Income (FVTOCI) or Fair Value Through Profit or Loss (FVTPL).

Market-driven fluctuations in the value of traded securities, raw materials, or other financial assets.

**Mutual Fund Investments**

The company is exposed to price risk from its investments in mutual funds, which are classified as Fair Value Through Profit or Loss (FVTPL). The fair value of these investments fluctuates based on changes in market conditions, interest rates, and underlying asset performance.

As on 31.03.2025, details of mutual fund investments are as follows:

Particulars	Classification	Units	NAV	Fair Value (Rs.)
Mutual Fund Units	FVTPL	50,000	45.97	22.99

**Risk Management Strategy:**

To manage price risk on mutual fund investments, the Company:

- Invests in diversified funds to minimize exposure to individual asset volatility.
- Monitors market trends and performance of the investment portfolio.
- Maintains a balanced mix of liquid and growth-oriented funds based on financial objectives.

**Price Risk Sensitivity Analysis**

A reasonably possible change of 1% in NAV (increase or decrease) due to market volatility will all other variables held constant, the impact on profit before tax has been shown by the amounts below:

**As At 31.03.2025**

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.23	(0.23)

**As At 31.03.2024**

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.23	(0.23)

**As At 31.03.2023**

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Mutual Fund investments	0.14	(0.14)

**(iii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The interest rate risk is measured by using cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides the break-up of the Company's fixed and floating rate borrowings.

Particulars	As At 31.03.2025	As At 31.03.2024	As At 31.03.2023
Fixed Rate Borrowings	4,669.95	6,732.41	6,405.97
Floating Rate Borrowings	5,518.35	4,404.80	4,436.73
Total Borrowings	10,188.30	11,137.21	10,842.70

**Interest Rate Sensitivity Analysis**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. The analysis has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of liability outstanding on the year end and was outstanding for the whole year. A positive number below indicates an increase in profit before tax where the interest rate decrease by 100 basis points and vice versa.

**As At 31.03.2025**

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(55.18)	55.18

**KAY JAY FORGINGS LIMITED***(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)***CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)****As At 31.03.2024**

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(44.05)	44.05

**As At 31.03.2023**

Particulars	Impact on profit before tax (increase in rate 1%)	Impact on profit before tax (decrease in rate 1%)
Borrowings	(44.37)	44.37

**47.2 Credit Risk**

Credit Risk arises from the possibility that the value of receivables or other financial assets of the company may be impaired because counter-parties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding looking information such as:

- (i) Actual or expected significant adverse changes in business;
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations.
- (iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information. Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

Based on the historical data no provision has been considered necessary since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time. The company maintains exposure in cash & cash equivalents, deposits with banks, investments and other financial assets. The maximum exposure to the credit risk at the reporting date is the carrying value of each class of financial assets. The company believes the current value of trade receivables reflects the fair value/recoverable values.

**47.3 Liquidity Risk**

Liquidity risk is the risk that company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the company's reputation. Management manages the liquidity risk by monitoring cash flow forecasts on a yearly basis and maturity profiles of financial assets and financial liabilities. This monitoring takes into account the accessibility of cash & cash equivalents and additional undrawn financing facilities.

The company will continue to consider various borrowing options to maximise liquidity and supplements cash requirements as necessary. The company's objective is to maintain a balance between continuity of funding & flexibility through the use of bank overdrafts, cash credit facilities and buyers' credit facilities.

**(i) Maturities of Financial Liabilities**

The following table details the company's remaining contractual maturity for its financial liabilities with agreed repayment and its financial assets. The table has been drawn up based on the undiscounted cash flows of financial liabilities on the earliest date on which the company can be required to pay.

The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of reporting year. The contractual maturity is based on the earliest date on which the company may be required to pay.

**KAY JAY FORGINGS LIMITED****(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)****CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)****Liquidity Exposure as at 31.03.2025**

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	10,188.30	6,008.86	3,615.71	2,568.35	12,192.91
Lease Liabilities	45.63	12.55	33.00	14.85	60.40
Trade Payables	5,931.89	5,892.90	38.99	-	5,931.89
Other Financial Liabilities	2,493.40	2,493.40	-	-	2,493.40
<b>Total Financial Liabilities</b>	<b>18,659.22</b>	<b>14,407.70</b>	<b>3,687.70</b>	<b>2,583.20</b>	<b>20,678.60</b>

**Liquidity Exposure as at 31.03.2024**

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	11,137.21	6,151.28	5,363.08	2,477.02	13,991.38
Lease Liabilities	57.75	16.30	38.95	21.45	76.70
Trade Payables	6,013.12	5,965.46	47.66	-	6,013.12
Other Financial Liabilities	988.98	988.98	-	-	988.98
<b>Total Financial Liabilities</b>	<b>18,197.06</b>	<b>13,122.03</b>	<b>5,449.69</b>	<b>2,498.47</b>	<b>21,070.19</b>

**Liquidity Exposure as at 31.03.2023**

Particulars	Carrying Value	Contractual Cash Flows			
		Less Than 1 Year	1-5 Years	More Than 5 Years	Total
Borrowings	14,231.52	7,211.72	7,074.65	2,624.79	16,911.16
Lease Liabilities	71.44	41.96	35.38	-	77.33
Trade Payables	4,234.33	4,209.78	24.55	-	4,234.33
Other Financial Liabilities	483.23	483.23	-	-	483.23
<b>Total Financial Liabilities</b>	<b>19,020.52</b>	<b>11,946.69</b>	<b>7,134.58</b>	<b>2,624.79</b>	<b>21,706.06</b>

## **KAY JAY FORGINGS LIMITED**

**(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)**

**CIN: U74899DL1983PLC029298**

**(All amounts in rupees lakhs, unless otherwise stated)**

### **Note (48) Practical Constraints in EIR Computation**

Certain borrowings have variable interest rates and irregular cash flows, making precise EIR computation impractical.

Additionally, due to volume & nature of loans, the impact of using contractual interest rates instead of EIR is assessed as immaterial.

Management has reviewed the difference between contractual and effective interest rate and determined that it does not materially affect finance costs or loan balances. Transaction costs are not material to be included in EIR calculation.

Further, interest free security deposits have been carried at carrying value as the difference between fair values is assessed as immaterial.

Interest income & interest expenses accounted in the statement of profit & loss except interest income & expenses from/on leases is shown at contractual rate instead of effective interest rate (EIR).

### **Conclusion & Impact on Financials:**

Borrowings where use of EIR computation was immaterial or not feasible have been measured at amortized cost using contractual interest rates, ensuring fair presentation.

Interest free security deposits are measured at carrying value.

Interest expense & income is measured at contractual rate.

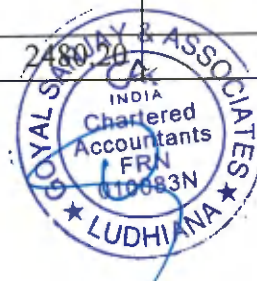
This approach has been adopted to maintain compliance with Ind-AS 109 while ensuring practicality in financial reporting.

Financial liabilities recognized at FVTPL, including derivatives are subsequently measured at fair value.

### **Note (49) Change in Depreciation Method:**

The company has adopted Straight Line Method from Written Down Value Method (except Depreciation on fixed assets of Unit-III and Machinery of other units installed from 01.04.2002 onwards as it was already on Straight Line Method) w.e.f 1<sup>st</sup> April, 2024 to better reflect the pattern of economic benefits derived from the assets. This change resulted in reduction of depreciation expenses of Rs.1,93,56,601.31 for the year.

<b>Depreciation as per SLM</b>	<b>Depreciation as per WDV</b>	<b>Increase/(Decrease) During the Year</b>
2286.63	2480.50	(193.56)



## **KAY JAY FORGINGS LIMITED**

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### **Note (50) First-Time Adoption of Ind-AS (Ind-AS 101)**

These are the Company's first set of standalone financial statements prepared in accordance with Ind-AS.

The opening financial statement for the date as at 01 April 2022 is the transition date of Financial Statements prepared in accordance with the requirements of IND AS 101 - First time adoption of Indian Accounting Standards.

In preparing its opening Ind AS Balance Sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

The financial statements have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory and optional exemptions availed as per Ind-AS 101) being consistent with the use and as per the presentation, accounting policies and grouping/classifications including revised Schedule-III disclosures.

Exemptions applied under Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. The company has applied the following exemptions:

#### **(A) Deemed cost: Property, plant and equipment, capital work in progress and intangible assets**

A first-time adopter may elect to measure an item of property, plant and equipment, at the date of transition at its fair value and use that amount as its deemed cost at that date.

In addition to this, Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for above assets as recognized in the Restated Consolidated Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

The company has elected to continue with the carrying value for the property, plant and equipment, capital work in progress and intangible assets and use it as deemed cost (net of depreciation/amortization) as at the date of transition (i.e. April 01, 2022).

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**(B) Leases**

As per Indian Accounting Standard (Ind AS) 101 First-time Adoption of Ind AS, provides exceptions to the retrospective application of Ind AS 116 lease. Accordingly, a first-time adopter may assess the classification of each element as finance or an operating lease at the date of transition to Ind AS on the basis of the facts and circumstances existing as at that date. If there is any lease newly classified as finance lease then the first time adopter may recognize assets and liability at fair value on that date; and any difference between those fair values is recognized in retained earnings.

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the company has used Ind AS 101 exemption where a first time adopter may assess whether a contract existing at the date of transition to Ind AS's contains leases by applying paragraph 9-11 of Ind AS 116 to those contracts on the basis of facts and circumstances existing at that date. The Group as first-time adopter as a lessee recognized lease liabilities and right to use assets, and had adopted following approach to all of its leases by adopting modified retrospective method:

- (a) Measured a lease liability at the date of transition to Ind AS. The Group has measured that lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS.
- (b) Measured a right-of-asset at the date of transition to Ind AS. The right-of-use assets were recognized based on the amount equal to the lease liabilities, and accrued lease payments previously recognized and reclassification of Leasehold land recognized previously under finance leases from property, plant and equipment.

**Practical expedients applied:**

In applying Ind AS 116 for the first time, the Group has used the following practical expedients permitted by the standard:

- (a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics (i.e. a similar remaining lease term for a similar class of underlying asset in a similar economic environment).



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- (b) Elected not to apply the requirements of recognizing lease liabilities and right to use assets for which the lease term ends within 12 months of the date of transition to Ind AS. Instead, the Group accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight-line basis over the lease term or another systematic basis.
- (c) Elected not to apply the requirements of recognizing lease liabilities and right to use assets for which the underlying asset is of low value. Instead, the Group accounted these leases as if they were short term leases and have accounted these lease payments as an expense on either a straight-line basis over the lease term or another systematic basis.
- (d) Excluded initial direct costs from the measurement of the right to use assets at the date of transition to Ind AS.

### **Ind AS Mandatory Exceptions:**

#### **A. Estimates:**

The estimates at April 01, 2022 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the items where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind-AS reflect conditions as at the transition date.

#### **B. Derecognition of Financial Assets and Financial Liabilities:**

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

#### **C. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. The company has applied the above requirement on transition date.



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Fair valuation in certain financial assets Under the Previous GAAP, mutual funds were classified as long-term investments measured at cost less provision for other than temporary diminution in the value.

Under Ind AS, these investments have been fair valued through the statement of profit or loss. This has increased the investment carrying value by Rs.7,50,500 on April 1,2022 as compared to IGAAP.

### **Note (5I) Other Statutory Information**

- i). The immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- ii). The Company has not revalued its Property, Plant and Equipment.
- iii). The Company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person. That are (a) repayable on demand or (b) without specifying any terms or period of repayment.
- iv). No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- v). The Company has been sanctioned working capital limits from Banks on the basis of security of current Assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.
- vi). The company is not declared willful defaulter by any bank or financial Institution or other lender.
- vii). The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act 1956.
- viii). No charges are pending for registration or satisfaction with Registrar of Companies beyond the statutory period.
- ix). The Company has no number of Layers of companies.

**KAY JAY FORGINGS LIMITED****(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)****CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)**

- x). Analysis of financial Ratios alongwith explanations where change in ratios by more than 25% as compared to preceding year:-

Ratio (With Numerator/Denominator)	31.03.2025	31.03.2024	Change in ratio more than 25 (%)	Comments if Change in ratio more than 25 (%)
(a) Current Ratio (Total Current Asset/Total Current Liability)	1.09	1.21	-9.65%	
(b) Debt Equity Ratio (Total Debt/Equity)	0.63	0.83	24.64%	
(c) Debt Service Coverage Ratio (Earning for Debt Service/Debt Service)	2.97	2.24	32.49%	Due to Increase in Equity
(d) Return on Equity(Net Profit after tax-Preference dividend/ Average Shareholders Equity)	19.54%	19.73%	-0.96%	
(e) Inventory Turnover Ratio (Turnover/Avg. Inventory)	7.74	8.17	-5.22%	
(f) Trade Receivable Turnover Ratio (Turnover/Avg. Debtors)	14.94	14.90	0.26%	
(g) Trade Payables Turnover Ratio (Purchase/Avg. Trade Payable)	6.81	7.36	-7.47%	
(h) Net Capital Turnover Ratio (Turnover/Avg. working capital)	34.06	27.83	22.37%	
(i) Net Profit Ratio (Profit for the year(PAT)/Revenue from Operation)	3.87%	3.53%	7.74%	
(j) Return on Capital Employed (Earning before tax and finance cost/Capital Employed)	21.22%	19.15%	10.80%	
(k) Return on Investment (Net Return On Investments/Cost of Investment)	359.70%	351.90%	2.22%	

**KAY JAY FORGINGS LIMITED****(FORMERLY KNOWN AS KAY JAY FORGINGS PRIVATE LIMITED)****CIN: U74899DL1983PLC029298****(All amounts in INR lakhs, unless otherwise stated)**

Ratio (With Numerator/Denominator)	31.03.2024	31.03.2023	Change in ratio more than 25 (%)	Comments if Change in ratio more than 25 (%)
(a) Current Ratio (Total Current Asset/Total Current Liability)	1.21	1.15	5.27%	
(b) Debt Equity Ratio (Total Debt/Equity)	0.83	1.29	35.58%	Due to decrease in debt & Increase in Equity
(c) Debt Service Coverage Ratio (Earning for Debt Service/Debt Service)	2.24	1.72	30.50%	Due to Increase in Equity
(d) Return on Equity (Net Profit after tax-Preference dividend/ Average Shareholders Equity)	19.40%	13.20%	46.92%	Due to Increase in Net Profit
(e) Inventory Turnover Ratio (Turnover/Avg. Inventory)	8.17	8.42	-2.99%	
(f) Trade Receivable Turnover Ratio (Turnover/Avg. Debtors)	14.90	12.70	17.32%	
(g) Trade Payables Turnover Ratio (Purchase/Avg. Trade Payable)	7.36	7.67	-3.98%	
(h) Net Capital Turnover Ratio (Turnover/Avg. working capital)	27.83	21.73	28.07%	Due to decrease in Working Capital & Increase in sales
(i) Net Profit Ratio (Profit for the year(PAT)/Revenue from Operation)	3.53%	2.26%	56.42%	Due to Increase in Net Profit
(j) Return on Capital Employed (Earning before tax and finance cost/Capital Employed)	19.15%	14.23%	34.59%	Due to Increase in Net Profit
(k) Return on Investment (Net Return On Investments/Cost of Investment)	351.90%	177.60%	98.14%	Due to favourable market conditions

**KAY JAY FORGINGS LIMITED**

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**CIN: U74899DL1983PLC029298**

**(All amounts in INR lakhs, unless otherwise stated)**

xi). The Company has no scheme of agreements during which falls under sections 230 to 237 of the Companies Act 2013.

xii). Utilisation of Borrowed funds and share premium:

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. 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
- b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. 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
- b. Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



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**Note (52)** The Company have not any such transaction which is 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.

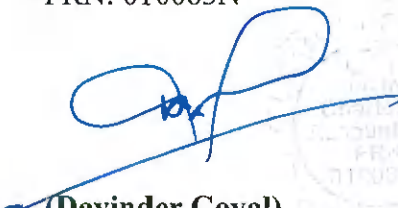
**Note (53)** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software at the application. Further no instance of audit trail feature being tampered with was noted in respect of accounting software, wherever audit log was enabled.

**Note (54)** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note (55)** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For **Goyal Sanjay & Associates**  
Chartered Accountants  
FRN: 010083N

For and on behalf of Board of Directors  
**KAY JAY FORGINGS LIMITED**


  
**(Davinder Goyal)**  
Partner  
Membership No. 091278

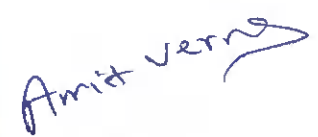
  
**(Gopal Krishan Kothari)**  
Managing Director  
DIN: 00026734

  
**(Naveen Behl)**  
Whole-time Director  
DIN: 01322486

Place: Ludhiana

Date: 13/8/25

  
**(Ashok Bansal)**  
Chief Financial Officer

  
**(Amit Verma)**  
Company Secretary &  
Compliance Officer