

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Krishna Defence and Allied Industries Limited ("the Company"), which comprises the balance sheet as at 30th September 2021, the statement of Profit and Loss, statement of cash flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2021, its profit and its cash flows for the period 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled



VADODARA - The Nirat, 3rd Floor, 18, Windward Business Park, Behind Emerald One Complex, In The Lane of Dr. Prashant Buch, Jetalpur Road, Vadodara - 390 007

● Tel: +91 265 234 3483, +91 265 235 4359 ● Email : vadodara@cnkindia.com

MUMBAI - HO : 3rd Floor, Mistry Bhavan, Dinshaw Vachha Road, Churchgate, Mumbai 400 020, India. ● Tel: +91 22 6623 0600

Website: www.cnkindia.com

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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.

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

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

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

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,



but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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, but not for the purpose of expressing an opinion on effectiveness the company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;



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

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

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

Report on Other Legal and Regulatory Requirements as per the requirement of Section 143(3) of the Act:

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- (e) On the basis of the written representations received from the directors as on 30th September, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 30th September, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 A to the financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. The company is not required to be transferred any amount, to the Investor Education and Protection Fund by the Company.
 - iv.
 - i. The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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;



- ii. The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The Company has not declared or paid any dividends during the period.

For, C N K & Associates LLP
Chartered accountants
FRN: 101961W/W-100036



Alok B. Shah

Partner

Mem. No. 042005

Date: 08th February, 2022

Place: Vadodara

UDIN: 22042005AAUIHU3502

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S 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 KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED ("the Company") as of 30th September 2021 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the company and such internal financial controls over financial reporting were operating effectively as at 30th September, 2021, 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, C N K & Associates LLP

Chartered accountants

FRN: 101961W/W-100036

Alok B. Shah

Partner

Mem. No. 042005

Date: 08th February, 2022

Place: Vadodara

UDIN: 22042005AAUIHU3502

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Balance Sheet as at 30th September, 2021

Amount Rs. In Lakhs

Particulars		Note No.	As at 30 September, 2021	As at 31 March 2021
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a)	Share capital	3	840.00	420.00
(b)	Reserves and surplus	4	1,084.89	1,409.08
			1,924.89	1,829.08
2 Non-current liabilities				
(a)	Long-term borrowings	5	1,227.85	1,476.86
(b)	Deferred tax liabilities (Net)	29E	29.25	21.09
(c)	Long-term provisions	6	5.01	5.01
			1,262.11	1,502.97
3 Current liabilities				
(a)	Short-term borrowings	7	1,129.49	1,080.51
(b)	Trade payables	8		
	(A) Total outstanding dues of Micro and small enterprises		115.90	152.67
	Total outstanding dues of creditors other than micro and			
	(B) small enterprises		870.40	520.24
(c)	Other current liabilities	9	395.22	465.75
(d)	Short-term provisions	10	106.13	80.29
			2,617.14	2,299.46
TOTAL			5,804.14	5,631.51
II. ASSETS				
1 Non-current assets				
(a)	Property, Plant and Equipment	11		
	(i) Tangible assets		1,396.53	996.13
	(ii) Capital work in progress		13.91	339.23
	(iii) Intangible assets		-	-
(b)	Non-current investments	12	1.00	1.00
(c)	Long-term loans and advances	13	16.77	17.25
(e)	Other non-current assets	14	69.40	82.94
			1,497.61	1,436.55
2 Current assets				
(a)	Inventories	15	1,597.87	1,528.02
(b)	Trade receivables	16	1,219.62	1,320.79
(c)	Cash and Bank Balance	17	994.11	920.41
(d)	Short Term loans and advances	18	122.49	113.46
(e)	Other current assets	19	372.45	312.29
			4,306.53	4,194.96
TOTAL			5,804.14	5,631.51

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRNo. : 101961W/W-109071W

Alok Shah
Alok Shah
Partner

Mem no. 042005

Vadodara, 08th February, 2022.



For and on behalf of the Board of Directors

Ankur Ashwin Shah
Ankur Ashwin Shah
Managing Director
DIN : 01166537

Charmy Shah
Charmy Shah
Company Secretary

Sandeep Ramrao Kadam
Sandeep Ramrao Kadam
Whole Time Director
DIN : 06841164

Piyush Harjibhai Patel
Piyush Harjibhai Patel
Chief Financial Officer

Vadodara, 08th February, 2022.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Statement of Profit and Loss for the half year ended 30th September, 2021

Amount Rs. In Lakhs

Particulars	Note No.	Half year ended 30 September 2021	Year ended 31 March 2021
I. Revenue from operations	20	2,071.56	3,502.66
II. Other income	21	26.64	130.13
III. Total Revenue		2,098.20	3,632.79
IV. Expenses:			
Cost of materials consumed	22	422.01	739.11
Purchases of Stock-in-Trade	23	492.58	285.91
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	(92.03)	601.96
Employee benefit expenses	25	408.11	651.30
Finance costs	26	88.42	167.43
Depreciation and amortization expenses	11	69.83	139.65
Other expenses	27	543.02	783.74
Total expenses		1,931.94	3,369.10
V Profit before tax		166.26	263.69
VI Tax expense:			
Current tax		34.43	67.00
Tax of earlier years (Net)		1.57	8.90
Deferred tax Liability/(Asset)		8.15	1.55
VII Profit for the period (V-VI)		122.11	186.24
VIII Earnings per equity share:			
Basic	29(D)	1.45	2.22
Diluted		1.45	2.22

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRNo. : 101961W/W-109074W

Alok Shah

Alok Shah
Partner
Mem no. 042005

Vadodara, 08th February, 2022



For and on behalf of the Board of Directors

Ankur Ashwin Shah
Ankur Ashwin Shah
Managing Director
DIN : 01166537

Sandeep Ramrao Kadam
Sandeep Ramrao Kadam
Whole Time Director
DIN : 06841164

Charmy Shah
Charmy Shah
Company Secretary

Piyush Harjibhai Patel
Piyush Harjibhai Patel
Chief Financial Officer

Vadodara, 08th February, 2022

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Cash Flow Statement for the half year ended 30th September, 2021

Amount Rs. In Lakhs

	Particulars	For the half year ended 30th September, 2021		For the year ended 31st March, 2021	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before exceptional items, prior period items and tax:		166.26		263.69
	Adjustments for :				
	Depreciation /amortization	69.83		139.65	
	Loss on Sale/scrap of assets	-		-	
	Amount no longer payable written back	-		(51.29)	
	Rent Income	(1.20)		(2.40)	
	Award Income	-		(2.50)	
	Adjustment in opening balance for restatement	(26.30)		-	
	Interest received	(25.20)		(72.27)	
	Bad Debts	-		34.55	
	Interest Expense	83.75		167.12	
			100.88		212.85
	Operating Profit before working capital changes		267.14		476.55
	Adjustments for:				
	(Increase)/Decrease in Loans and Advances	(8.54)		17.98	
	(Increase)/Decrease in Trade receivables	101.16		(137.67)	
	(Increase)/Decrease in Inventories	(69.86)		530.80	
	(Increase)/Decrease in Other Non Current Assets	13.54		14.90	
	(Increase)/Decrease in Other Current Assets	(56.09)		2.01	
	Increase/(Decrease) in Trade Payable	313.39		(347.78)	
	Increase/(Decrease) in Liabilities and Provisions	(96.82)		(334.28)	
			196.78		(254.04)
	Cash generated from Operations		463.92		222.50
	Less : Direct taxes paid (Net of refund, if any)		16.14		(20.89)
	Cash flow before extraordinary items		480.06		201.61
	Net cash from Operating Activities (A)		480.06		201.61
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Property plant & Equipment's		(144.91)		(276.23)
	Proceeds from Sale of Property plant & Equipment's				-
	Purchase of Investment(net)				-
	(Increase)/Decrease in Other bank balances		(74.63)		184.45
	Rent Received		1.20		2.40
	Interest received		21.13		67.49
	Net Cash used in Investing Activities (B)		(197.21)		(21.89)
C	CASH FLOW FROM FINANCIAL ACTIVITIES				
	Receipt of Long term borrowings(net)		29.25		703.66
	Repayment of Long Term Borrowings		(270.36)		(642.31)
	Increase/(Decrease) in Short term Borrowings		41.07		(71.65)
	Interest paid		(83.75)		(167.12)
	Net cash used Financing Activities (C)		(283.78)		(177.42)
	Net increase in cash and cash equivalents (A+B+C)		(0.93)		2.29
	Cash and cash equivalents at the beginning of the year		22.96		20.66
	Cash and cash equivalents at the end of the year		22.03		22.96
	Components of Cash & Cash Equivalents				
	Cash on hand		11.11		10.79
	Balance with schedule banks				
	In Current Account		10.92		12.17
	Cash and Cash Equivalents (As per Note No.17)		22.03		22.96

Note:-

1 Figures in the brackets represents cash outflow.

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRNo. : 101961W/W-100071W



Alok Shah
Partner
Mem no. 042005
Vadodara, 08th February, 2022



For and on behalf of the Board of Directors

Ankur Ashwin Shah
Managing Director
DIN: 01166537

Sandeep Ramrao Kadam
Whole Time Director
CIN: 206841164

Charmy Shah
Company Secretary

Purush Harjibhai Patel
Chief Financial Officer

Vadodara, 08th February, 2022.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

1. Nature of Operation

Krishna Defence and Allied Industries Limited (formerly known as Krishna Allied Industries Private Limited) unlisted limited company, domiciled in India and incorporated on 10th September, 2013. Company is being incorporated as private limited company but converted into unlisted public limited company on 07th December, 2021.

The company's main objects are to carry on in India or elsewhere the business of manufacturers, importers, exporters, dealers and traders of all types of steel materials, dairy equipments, kitchen equipments, Defence equipments etc.

2. Statement on Significant Accounting Policies

a) Basis of Preparation

Basis of accounting and preparation of financial statements:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities. This is based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

c) Property , Plant and Equipment

(i) Tangible Fixed Assets

Lease hold is carried at historical cost less amortisation of lease charges over the tenure of lease agreement. All other items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policies. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the written down value method based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, and is generally recognized in the statement of profit and loss. Cost of Lease hold is amortised over the tenure of lease agreement. Freehold land is not depreciated. In case where the cost of part of asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining assets, the useful life of that significant part has been determined separately.

Asset Group	Useful Life
Buildings	Factory Building - 30 years, Others-60 years
Plant and Equipment	15 years
Lab Equipments	10 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office equipments	5 years



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

Computer Equipments	Server and Equipments-6 years, Others- 3 years
Electrical Installation	10 years

The depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Capital work in progress:

Capital work-in-progress is carried at cost, comprising direct cost and related incidental expenses.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Long Term Loans and advances" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

(ii) Intangible assets:

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Amortisation of Intangible assets

The amortisation of an Intangible Assets is allocated on a systematic basis over the best estimate of its useful life of the Intangible asset

Asset Group	Useful Life
Intangible Assets	3 – 10 Years

d) Impairment

- i) At each Balance Sheet date, the company assesses whether there is any indication that an asset may be impaired. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

e) Assets Held for Disposal

Items of Fixed assets that have been retired from active use and held for disposal are stated at the lower of their net book value or net realisable value.

f) Inventories

Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a First in First Out (FIFO) (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, conversion costs and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Items of Inventory are valued on the principle laid down by the AS 2 on Inventories:

(a)	Raw Materials	Lower of cost (determined on First In First Out Basis) and net realizable value.
(b)	Packing Material	Lower of cost (determined on FIFO basis) and net realizable value.
(c)	Finished Goods	Lower of cost (determined on FIFO basis) and net realizable value.
(d)	Work in progress	Lower of cost (determined on FIFO basis) and net realizable value.
(e)	Stores & spares	At cost
(f)	Scrap	At net realizable value



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non Current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of these investments.

Investment properties

Property , plant and Equipment not intended to be occupied substantially for use by, or in the operations, of the company are classified as Investment property. The said Investment property is accounted in accordance with Cost model prescribed in Accounting Standard 10- Property, Plant and Equipment and accordingly depreciated over the useful life of the asset

h) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards or ownership of the goods have passed to the buyer. Revenue is recognised to the extent there is reasonable certainty of its ultimate collection.

Interest

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

Rent Income

Income is recorded on accrual basis per terms of agreement,

Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.



KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

i) Foreign Currency Transaction

Initial Recognition

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

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

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

j) Operating Lease

Where the Company is the lessee

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

k) Taxation

Tax expense comprises current and deferred taxes. Current income-taxes measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of other items based on future sales projection of the company. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

l) Employee Benefits

i. Short-term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, leave salary, allowances, etc are recognised as actual amounts due in period in which the employee renders the related services.

ii. Defined contribution plan

Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

iii. Defined benefit Plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The scheme is funded by the policy from Life insurance corporation of India.

iv. Long term Employee benefits

The Company's long term benefits included leave encashment payable at the time of retirement subject to policy of maximum leave accumulation of company. The scheme is not funded. The Company has made provision based on actual liability.

m) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
Notes forming parts of the financial statements

their intended use. All other borrowing costs are charged to Statement of Profit and Loss over the tenure of the borrowing.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Provisions and contingencies

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or the present obligations that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

p) Cash and Cash Equivalents

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

q) Cash Flow Statement

Cash flows are reported using the Indirect Method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

NOTE No. 3 : SHARE CAPITAL

Note No- 3(i) Details of share capital

Amount Rs. In Lakhs

Particulars	As at 30 September, 2021		As at 31 March 2021	
	Number of Shares	₹	Number of Shares	₹
Authorized Equity Shares of ₹ 10/- each with voting rights	12,000,000	1,200.00	6,000,000	600.00
Issued Equity Shares of ₹ 10/- each with voting rights	8,400,000	840.00	4,200,000	420.00
Subscribed & Paid up Equity Shares of ₹ 10/- each with voting rights	8,400,000	840.00	4,200,000	420.00
Total	8,400,000	840.00	4,200,000	420.00

Note No-3 (ii) Reconciliation of the Number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 30 September, 2021		As at 31 March 2021	
	Number of Shares	₹	Number of Shares	₹
Opening Balance	4,200,000	420.00	4,200,000	420.00
Add: Bonus share issued during the year	4,200,000	420.00	-	-
Add: Fresh Issue of shares	-	-	-	-
Closing Balance	8,400,000	840.00	4,200,000	420.00

Note No- 3(iii) Rights , preferences and restrictions attaching to each class of shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- 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 the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in the proportion to the number of equity share held by the shareholders.

Note No- 3(iv) Shares allotted as fully paid-up :

During the year, the company has allotted 42,00,000 equity shares as fully paid-up bonus shares in the ratio of 1:1 (i.e. one Bonus shares for every share held) by capitalization of Security Premium account and Free reserves of Rs. 4,20,00,000/-

Note No- 3(v) Details of shares held by each shareholder holding more than 5 % shares :

Classes of Shares/Name of Shareholder	As at 30 September, 2021		As at 31 March 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares with voting rights				
Ashwin Shah	-	-	-	-
Ankur Shah	5,253,890	62.55%	2,626,945	62.55%
Krish Commodities	588,000	7.00%	294,000	7.00%
Krish Industries	840,000	10.00%	420,000	10.00%
Pallavi Shah	1,633,710	19.45%	816,855	19.45%



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. in Lakhs

NOTE NO. 4 : RESERVES AND SURPLUS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Security Premium Account		
Opening Balance	25.00	25.00
Less: Utilise for Bonus Issued during the year (Refer Note No 3(iv))	25.00	-
Closing Balance	-	25.00
(b) Defence Technology Absorption Reserve		
Opening Balance	-	2.50
Less: Transferred to Profit & Loss account	-	2.50
Closing Balance	-	-
(b) Surplus		
Opening balance	1,384.08	1,197.84
Adjustment in Opening Balance of Reserves (refer Note 30G)	(26.30)	-
Add : Surplus in statement of Profit and Loss	122.11	186.24
Less: Bonus issue during the year (Refer Note No 3(iv))	395.00	-
Closing Balance	1,084.89	1,384.08
Total (a)+(b)	1,084.89	1,409.08

NOTE NO. 5 : LONG TERM BORROWINGS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Term Loans (Refer note 5(i))		
- Secured		
(i) From Banks	313.76	361.35
Total	313.76	361.35
Less: Current Maturities Out of above	111.45	103.53
	202.31	257.82
(b) Loans from directors (unsecured) (Refer note 5(ii))	405.94	472.03
(c) Inter-corporate Deposits (unsecured) (Refer note 5(i))	253.11	342.24
(d) Loan from share holders (unsecured) (Refer note 5(iii))	366.48	404.78
Total	1,227.85	1,476.86

Note No-5 (i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Secured Term loans from banks:		
(i) Axis Bank Car Loan - (Brezza Loan) (Secured by way of Hypothecation of Brezza Car. Interest Rate is 8.60% with monthly rests. Loan is repayable in 60 equal monthly instalment of Rs. 16,534/-)	3.04	3.88
(ii) Axis Bank Car Loan - (Brezza Loan) (Secured by way of Hypothecation of Brezza Car. Interest Rate is 8.60% with monthly rests. Loan is repayable in 60 equal monthly instalment of Rs. 16,534/-)	3.04	4.21



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

<p>(iii) Axis Bank Term Loan - 1 (The loan secured by way of first charge on entire present and future movable fixed asset of the company The above facility is also secured by way of charge on entire present and future current asset. The above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4.62 crores. The facility is further secured by way of personal guarantee of the managing director. Interest rate is 1 year MCLR (presently MCLR is 8.25%) plus 3.35% i.e. effective interest rate is 11.60%. Loan is repayable in 60 Equal Monthly Instalment of Rs. 2,50,000/- after the end of moratorium period of 6 months)</p>	0.02	15.00
<p>(iv) Axis Bank Term Loan - 3 (The loan secured by way of first charge on entire present and future movable fixed asset of the company The above facility is also secured by way of charge on entire present and future current asset. the above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4.62 crores. The facility is further secured by way of personal guarantee of the Managing Director. Interest rate is 8.25% linked to repo rate (i.e. 4.00%+4.25%). Loan is repayable in 60 Equal Monthly Instalment of Rs. 3,00,000/- after the end of moratorium period of 6 months)</p>	39.31	57.45
<p>(v) Standard Chartered Bank - office Loan (Loan is secured by of mortgage of office situated at Unit No. 344, 3rd Floor, A to z industrial premises CSL,A to Z industrial Estate, Ganpatrao kadam Marg, Near Peninsula Corporate Park, Lower Parel (West), Mumbai-400013. Interest rate is at 0.3% above MCLR Rate. Present MCLR rate is 8.70%. Loan is repayable in 120 Equal Monthly Instalment of Rs. 1,89,609/-)</p>	119.87	123.58
<p>(vi) Axis Bank - ECLGS Term loan (The loan secured by way of first charge on entire present and future movable fixed asset of the company The above facility is also secured by way of charge on entire present and future current asset. he above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4,62 crores. The facility is further secured by way of personal guarantee of the Managing Director. Interest rate is 8.25% linked to repo rate (i.e. 4.00%+4.25%). Loan is repayable in 36 Equal Monthly Instalment of Rs. 4,33,333/- after the end of moratorium period of 12 months)</p>	148.49	157.23
Total	313.76	361.35
Unsecured Term loans from NBFC:		
Unsecured Inter corporate Deposits:		
<p>(i) Shah Brothers Ispat Pvt. Ltd (Interest on loan is 8.00% as par the agreement however company has taken waiver of interest for the FY 2020-21 and the half year ended 30th September, 2021)</p>	90.00	150.00
<p>(ii) Jaisons Realty (Asia) LLP (formally known as Jaison Realty Asia Ltd.) (Interest on loan is 8.00%)</p>	21.13	40.00
<p>(iii) Stock Guardian India Private Limited (Interest on loan is 8.00%)</p>	70.00	100.00
<p>(iv) Anju Securities Pvt Ltd. (Interest on loan is 8.00%)</p>	71.98	52.24
	253.11	342.24



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

Note No-5 (ii) Details of terms of interest of loan from director

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Interest bearing loan (Interest paid at 9%)	16.84	32.93
Non - Interest bearing loan	389.10	439.10
	406.94	472.03

Note No-5 (iii) Details of terms of interest of loan from shareholders

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Interest bearing loan (Interest paid at 9%)	330.67	368.96
Non - Interest bearing loan	35.81	35.81
	366.48	404.78

NOTE NO. 6 : LONG TERM PROVISIONS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Provision for employee benefits		
(i) Provision for Compensated absences	4.85	5.01
(ii) Provision for Gratuity [Refer Note No- 29 (A)]	0.17	-
Total	5.01	5.01

NOTE NO. 7 SHORT TERM BORROWINGS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Current Maturities of long-term debt: (Refer below note i)	111.45	103.53
(b) Loans repayable on demand		
- Secured		
(i) From Banks (refer below note (ii))	721.89	818.84
(c) Loans from directors (unsecured) (refer below note (iii))	267.96	123.46
(d) Loans from Shareholders (Unsecured) (refer below note (iv))	28.20	27.99
(e) Inter corporate Deposits (Unsecured)	-	6.69
Total	1,129.49	1,080.51

Note:

(i) For details of security, Interest rate and repayment terms refer Note No.5 (i)

(ii) The above facility is secured by way of first charge on entire present and future current asset of the company. The above facility is further secured by way of equitable mortgage on shed no. 121/8, 121/9, 121/20 to 22 and Shed no. 121/23 & 121/24 situated at Kalol. The facility is further secured by way of equitable mortgage on property situated at Flat no. B-302, Shivam Residency Tower, Opp. Urmi School, B/h Gangotri Party Plot, Samasavli Road, Vadodara - 390 002 which is owned by the director. The facility is further secured by way of lien on fixed deposits of Rs. 4.62 crores. The facility is further secured by way of personal guarantee of the Managing director. Interest rate is 8.25% linked to repo rate (i.e. 4.00%+4.25%)



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

(iii) Details of terms of interest of loan from director

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Interest bearing loan (Interest paid at 9%)	9.69	6.82
Non - Interest bearing loan	258.27	116.64
	267.96	123.46

(iv) Details of terms of interest of loan from shareholders

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Interest bearing loan (Interest paid at 9%)	20.81	25.25
Non - Interest bearing loan	7.39	2.74
	28.20	27.99

NOTE NO. 8 TRADE PAYABLES

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(i) Trade payables [Refer note no. 30(A)]		
- Total outstanding dues of Micro and small enterprises	115.90	152.67
- Total outstanding dues of Trade payables other than Micro and small enterprises	870.40	520.24
Total	986.30	672.91



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO 9 : OTHER CURRENT LIABILITIES

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Interest Accrued and Due on Borrowings	1.69	-
Other payables		
(i) Salary & Wages Payable	50.29	115.23
(ii) Statutory dues payable	8.21	8.08
(iii) Tax Deducted at Source payable	9.16	48.19
(iv) Advances From Customers	277.38	285.02
(v) Security Deposits from dealers	0.25	0.25
(vi) Others	48.25	8.98
Total	395.22	465.75

NOTE NO. 10 : SHORT TERM PROVISIONS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Provision for employee benefits		
(i) Provision for Gratuity [Refer Note No- 29 (A)]	11.82	3.43
(ii) Provision for Bonus	24.68	19.06
(b) Provisions- Others		
(i) Provision for Warranties	17.49	19.22
(ii) Provision for Income tax (Net of Taxes paid in advance)	52.14	38.58
Total	106.13	80.29

NOTE NO. 12 : NON CURRENT INVESTMENTS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Investment in Mutual Fund - Unquoted		
(a) Investment in units of UTI (At cost) (C.Y. 6,204.629 Units, P.Y. 6,204.629 Units)	1.00	1.00
Total	1.00	1.00
Aggregate cost of investment in Mutual Funds	1.00	1.00
Aggregate market value/(re-purchase price) of investment in Mutual Funds	0.87	0.71
Aggregate cost of other unquoted Investments		

NOTE NO. 13 : LONG TERM LOANS AND ADVANCES

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Unsecured, considered good		
(a) Capital Advance	3.66	3.57
(b) Prepaid Expenses	8.95	9.52
(c) Advance income tax (net of provisions)	4.17	4.17
Total	16.77	17.26



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KRISHNA ALLIED INDUSTRIES PRIVATE LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 11(a) : Property, Plant and Equipment

	Fixed Assets	Gross Block			Accumulated Depreciation			Net Block			
		Balance as at 1 April 2021	Additions	Disposals/transfers	Balance as at 30 September 2021	Balance as at 1 April 2021	Depreciation / amortization expense for the half year	Eliminated on disposal of assets	Balance as at 30 September 2021	Balance as at 30 September 2021	Balance as at 31 March 2021
		₹	₹	₹	₹	₹	₹	₹	₹	₹	
(i)	Tangible Assets (Owned)										
	(a) Land Freehold	153.94	-	-	153.94	-	-	-	-	153.94	153.94
	(b) Buildings										
	- Factory Building	355.05	3.75	-	358.80	186.51	9.27	-	195.77	163.02	168.54
	- Office Premises	230.54	-	-	230.54	29.53	4.91	-	34.44	196.10	201.01
	(c) Plant and Equipment	936.88	462.10	-	1,398.98	526.08	45.03	-	571.11	827.87	410.80
	(d) Furniture and Fixtures	86.37	0.42	-	86.79	47.36	5.08	-	52.44	34.35	39.01
	(e) Motor Vehicles	52.18	-	-	52.18	42.96	1.45	-	44.41	7.77	9.22
	(f) Laboratory Equipment's	0.90	-	-	0.90	0.89	0.01	-	0.90	-	0.01
	(g) Office equipment's	38.95	3.03	-	41.98	31.19	2.11	-	33.31	8.67	7.75
	(h) Computer Equipment's	29.36	0.94	-	30.30	23.52	1.98	-	25.50	4.80	5.84
	Total	1,884.18	470.23	-	2,354.41	888.06	69.83	-	957.88	1,396.53	996.13
	Previous Year	1,786.08	98.10	-	1,884.18	748.41	139.65	-	888.06	996.13	1,037.68
	Note 11(b) : Intangible Assets (Owned)										
		-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
	Note 11(c) : Capital Work in Progress										
	(a) Capital Work in Progress	339.23	139.36	464.67	13.91	-	-	-	-	13.91	339.23
	Total	339.23	139.36	464.67	13.91	-	-	-	-	13.91	339.23
	Previous Year	161.10	178.13	-	339.23	-	-	-	-	339.23	161.10



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KRISHNA ALLIED INDUSTRIES PRIVATE LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 11(a) : Property, Plant and Equipment

	Fixed Assets	Gross Block				Accumulated Depreciation			Net Block		
		Balance as at 1 April 2020	Additions	Disposals/transfers	Balance as at 31 March 2021	Balance as at 1 April 2020	Depreciation / amortization expense for the year	Eliminated on disposal of assets	Balance as at 31 March 2021	Balance as at 31 March 2021	Balance as at 31 March 2020
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(i)	Tangible Assets (Owned)										
	(a) Land Freehold	153.94	-	-	153.94	-	-	-	-	153.94	153.94
	(b) Buildings										
	- Factory Building	343.09	11.96	-	355.05	166.30	20.21	-	186.51	168.54	176.79
	- Office Premises	230.54	-	-	230.54	19.24	10.29	-	29.53	201.01	211.30
	(c) Plant and Equipment	869.78	67.10	-	936.88	440.97	85.11	-	526.08	410.80	428.81
	(d) Furniture and Fixtures	73.20	13.18	-	86.37	37.51	9.86	-	47.36	39.01	35.89
	(e) Motor Vehicles	52.18	-	-	52.18	38.75	4.21	-	42.96	9.22	13.43
	(f) Laboratory Equipment's	0.90	-	-	0.90	0.89	0.01	-	0.89	0.01	0.01
	(g) Office equipment's	38.84	0.11	-	38.95	24.96	6.23	-	31.19	7.75	13.88
	(h) Computer Equipment's	23.61	5.75	-	29.36	19.78	3.73	-	23.52	5.84	3.82
	Total	1,786.08	98.10	-	1,884.18	748.41	139.65	-	888.06	996.13	1,037.68
	Previous Year	1,608.75	177.33	-	1,786.08	609.21	139.19	-	748.41	1,037.68	999.54
	Note 11(b) : Intangible Assets (Owned)										
	(a) Technology Licenses Fees	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Previous Year	4.00	-	4.00	-	-	-	-	-	-	4.00
	Note 11(c) : Capital Work in Progress										
	(a) Capital Work in Progress	161.10	178.13	-	339.23	-	-	-	-	339.23	161.10
	Total	161.10	178.13	-	339.23	-	-	-	-	339.23	161.10
	Previous Year	46.42	114.69	-	161.10	-	-	-	-	161.10	46.42



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 14 : OTHER NON CURRENT ASSETS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Security Deposits	69.40	82.94
Total	69.40	82.94

NOTE NO. 15 : INVENTORIES (At lower of cost and net realizable value)

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Raw Materials	71.84	108.02
(b) Work-in-progress	1,415.23	1,351.43
(c) Finished goods (other than those acquired for trading)	1.21	1.21
(d) Stock-in-trade	28.78	18.44
(e) Stores, Spares and fuel	39.59	25.59
(f) Scrap	41.21	23.32
Total	1,597.87	1,528.02

Note No. 15(i) Details of inventory of Raw Materials

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
S S Sheets	23.79	35.32
Milking Machine Parts	48.06	72.70
Total	71.84	108.02

Note No. 15(ii) Details of inventory of Work-In-Progress

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Bulb Bar	1,171.17	1,065.71
Milk Cans	244.06	285.73
Total	1,415.23	1,351.43

Note No. 15(iii) Details of inventory of Finished Goods

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Bulb Bar	-	-
Milk Cans	1.21	1.21
Total	1.21	1.21



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 16 : TRADE RECEIVABLES

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the due date of payment	397.58	475.79
Other Trade receivables	822.04	844.99
Total	1,219.62	1,320.79

NOTE NO. 17 : CASH AND BANK BALANCES

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(A) Cash and Cash Equivalents		
(a) Cash on hand	11.11	10.79
(b) Balances with Banks in current accounts - In current accounts	10.92	12.17
(B) Other Balances		
(i) Bank Balances held as margin money against Guarantees (See note 17(i))	318.34	244.75
(ii) Fixed Deposit with Bank (See note 17(ii))	653.74	652.70
Total	994.11	920.41

Note No. 17

(i) Margin monies amounting to Rs. 318.34 Lakhs /-(As at 31 March, 2021 Rs. 244.75 Lakhs) have maturity of more than 12 months.

(ii) The above Fixed deposits is given as collateral security to the banks against the cash credit facility and term loans

NOTE NO. 18 : SHORT TERM LOAN AND ADVANCES

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Unsecured, considered good		
(a) Loans and advances to employees	16.54	11.66
(b) Prepaid expenses	16.53	12.80
(c) Balances with government authorities	87.66	87.26
(d) TDS receivable from Financial Institution	1.75	1.75
Total	122.49	113.46

NOTE NO. 19 : OTHER CURRENT ASSETS

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Unsecured, considered good		
(a) Interest accrued on deposits	54.49	50.42
(b) Advance to Suppliers and others	317.96	261.87
Total	372.45	312.29



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 20 : REVENUE FROM OPERATIONS

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(a) Sale of products(Refer note 20(i))	1,985.49	3,427.79
(b) Other Operating revenue(Refer note 20(ii))	86.06	74.87
Less:		
Total	2,071.56	3,502.66

Note No. 20 (i) Sale of Products comprises of

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
Sale of manufactured goods		
Defence Product	1,195.45	2,404.66
Dairy & Kitchen Equipment	258.08	653.09
	1,453.53	3,067.74
Sale of Traded goods		
Defence Product	3.22	2.97
Dairy & Kitchen Equipment	528.75	367.08
	531.97	370.05
Total Sale of Products	1,985.49	3,427.79

Note No. 20(ii) Other Operating Revenue comprises of

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(i) Job Work Income	0.17	0.24
(ii) Scrap Sales	85.89	74.64
Total - Other operating revenues	86.06	74.87



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 21 : OTHER INCOME

Particulars	Half year ended	Year ended
	30 September 2021	31 March 2021
	₹	₹
(a) Interest Income (Refer Note 21(i))	25.20	72.27
(b) Other Non-Operating Income (Refer Note 21(ii))	1.20	2.40
(c) Net gain on foreign currency transactions	-	1.09
(d) Misc. Income	0.00	3.08
(e) Amount no longer payable written back	0.24	51.29
Total	26.64	130.13

Note No. 21 (i) Interest Income comprises of

Particulars	Half year ended	Year ended
	30 September 2021	31 March 2021
	₹	₹
(i) Interest from Bank on: Fixed Deposits	25.20	72.27
Total - Interest income	25.20	72.27

Note No. 21 (ii) Other Non- Operating Income comprises of

Particulars	Half year ended	Year ended
	30 September 2021	31 March 2021
	₹	₹
(i) Rental income	1.20	2.40
Total	1.20	2.40

NOTE NO. 22 : COST OF MATERIALS CONSUMED

Particulars	Half year ended	Year ended
	30 September 2021	31 March 2021
	₹	₹
Raw Materials Consumption		
Opening Stock	108.02	47.24
Add: Purchases	385.83	799.89
	493.85	847.13
Less: Closing stock	71.84	108.02
Cost of Material consumed	422.01	739.11
Total	422.01	739.11

Note No. 22 (i) Cost of materials consumed comprises of:

Particulars	Half year ended	Year ended
	30 September 2021	31 March 2021
	₹	₹
Raw Material (a) S S Sheet / Plats	422.01	739.11
Total	422.01	739.11



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. In Lakhs

NOTE NO. 23 PURCHASE OF TRADED GOODS

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
Purchase of traded goods	492.58	285.91
Total	492.58	285.91

NOTE NO. 24 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(a) Inventories at the beginning of the year:		
Finished Goods	1.21	323.61
Work in Progress	1,351.43	1,622.27
Stock in Trade	18.44	44.01
Scrap	23.32	6.48
	1,394.40	1,996.37
(b) Inventories at the end of the year:		
Finished Goods	1.21	1.21
Work in Progress	1,415.23	1,351.43
Stock in Trade	28.78	18.44
Scrap	41.21	23.32
	1,486.44	1,394.40
Net Change in Inventories	(92.03)	601.96

NOTE NO. 25 : EMPLOYEE BENEFIT EXPENSES

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(a) Salaries, wages, bonus etc.	304.41	466.16
(b) Remuneration to directors	71.28	143.73
(c) Contributions to Provident and other funds	27.68	31.21
(d) Staff welfare expenses	4.74	10.19
Total	408.11	651.30

NOTE NO. 26 : FINANCE COSTS

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(i) Interest expense		
(a) on borrowings	83.75	167.12
(ii) Other borrowing costs	4.66	0.15
(ii) Interest on statutory Dues	0.01	0.16
Total	88.42	167.43



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Notes forming part of the Financial Statements

Amount Rs. in Lakhs

NOTE NO. 27 : OTHER EXPENSES

Particulars	Half year ended	Year ended
	30 September 2021	31 March 2021
	₹	₹
Store & Spares Consumed	64.32	61.20
Job Work & Labour Changes	189.10	220.94
Power & Fuel Expenses	57.72	74.27
Repairs & Maintenance - Plant & Machinery	0.92	2.33
- Building	5.07	1.71
- Others	2.66	3.85
Laboratory and Testing Expenses	5.62	13.10
Travelling and Conveyance	38.92	36.95
Legal & Professional Charges	19.82	35.89
Rates & Taxes	0.78	5.20
Rent Expenses (Refer Note No. 29 C)	17.95	29.51
Security Expenses	8.58	16.93
Vehicle Expenses	6.78	8.62
Insurance	2.96	5.74
CSR Expenses	-	15.50
Donation Expenses	1.77	0.10
Factory Expenses	1.86	8.04
Installation charges	3.79	16.65
Freight & Forwarding charges	22.14	40.21
Net loss on foreign currency transactions	0.87	-
Telephone & Internet Expenses	2.71	4.04
Bad Debts	-	34.55
Payment to Auditors		
a. Statutory Audit	0.50	0.90
b. Tax Audit	0.25	0.50
c. Company law matters	-	-
d. Other services	1.50	0.10
Selling & Distribution Expenses		
a. Commission on sales	-	0.75
b. Advertisement	0.10	2.97
c. Freight and Other Expenses	35.70	69.34
d. Discount, Sales Promotion and samples	14.19	7.95
e. Late Delivery Charges	0.34	10.31
Bank Charges	16.26	20.70
Miscellaneous Expenses	19.83	34.89
Total	643.02	783.74



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Additional Information to The financial statements:-

Amount Rs. in Lakhs

NOTE NO. 28 Other Disclosures as per Schedule-III of the Companies Act, 2013

28.A Contingent Liabilities & Commitments

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(i) Contingent Liabilities		
(a) On account of Litigations		
(a) Value Added Tax (VAT)	-	-
(b) Central Sales Tax (CST)	36.32	36.32
(b) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	1,384.30	1,219.54
(c) On account of other contingent claims	77.84	77.84
	1,498.46	1,333.70
(ii) Commitments		
(a) Estimated amount of Contracts to be executed on capital account and not provided for net of capital advance	4.84	5.92
(b) Other Commitments	-	-

28.B Value of imports calculated on C.I.F basis by the company during the financial year in respect of

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(a) Raw materials/ Traded Goods	4.73	17.19
(b) Plant & Machinery	-	30.46

28.C Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
(a) Travelling Expenses	17.44	0.90



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Additional Information to The financial statements:-

Amount Rs. In Lakhs

28.D Total value of all imported and Indigenous raw materials, spare parts and components consumed during the financial year and the total value of all raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

	Details of consumption of Raw Material *	Half year ended 30 September 2021	Year ended 31 March 2021
		₹	₹
(i)	Imported Raw materials	4.73 1.12%	17.19 2.33%
(ii)	Indigenous Raw materials	417.27 98.88%	721.91 97.67%

(*) Note 1: The stores and spares consumed are 100% indigenous.

28.E Earnings in foreign exchange

	Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
		₹	₹
(a)	Export of goods calculated on FOB basis	23.24	-

28-F Amounts remitted in foreign currency during the year on account of dividend

	Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
		₹	₹
(a)	Amount of dividend remitted in foreign currency	Nil	Nil



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Amount Rs. In Lakhs

NOTE NO. 29 Disclosures under Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.(as amended)

29.A Disclosures under Accounting Standard - 15 (Employee Benefits)

Accounting Standard 15 on 'Employee Benefits' as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

(a) Defined Contribution Plans:

The Company makes Provident Fund and Superannuation Fund, contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The company has recognized the following amounts in the Statement of Profit and Loss for the year.

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
Contribution to Provident Fund	14.77	22.97
Contribution to ESIC	3.13	4.88

(b) Defined Benefit Plans:

The Company has policy of giving gratuity to its employees who complete period of qualifying service which is 5 years.

The company's plan assets in respect of Gratuity are funded through the Group Scheme of Life Insurance Corporation of India. The scheme provides for payment to vested employees as under:

- On normal retirement / early retirement / withdrawal / resignation: As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- On death in service: As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

Valuation Method:	Projected Unit Credit (PUC) method
Discount Rate	6.55 % (Previous Year 6.25%)
Salary Escalation	7% (Previous Year 7%)
Mortality Rate	Indian Assured Lives Mortality (2012-14) Table
Withdrawal Rate	1 % to 20 % depending on age

Funded status of the plan

Particulars	30/09/2021	2020-21
	₹	₹
Present value of funded obligations	107.92	84.46
Fair value of plan assets	(95.93)	(81.04)
Net Liability (Asset)	11.99	3.43

Profit and loss account for the period

Particulars	30/09/2021	2020-21
	₹	₹
Current service cost	5.43	8.74
Interest on obligation	2.86	4.79
Expected return on plan assets	(2.89)	(4.35)
Net actuarial loss/(gain)	3.85	(4.56)
Total included in 'Employee Benefit Expense'	9.26	4.63

Particulars	30/09/2021	2020-21
	₹	₹
Loss/(gain) on obligation	3.37	(4.81)
Loss/(gain) on assets	0.48	0.25
Net actuarial loss/(gain)	3.85	(4.56)



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Amount Rs. In Lakhs

Reconciliation of defined benefit obligation

Particulars	30/09/2021	2020-21
	₹	₹
Opening Defined Benefit Obligation	84.46	80.12
Transfer in/(out) obligation	12.60	-
Current service cost	5.43	8.74
Interest cost	2.86	4.79
Actuarial loss (gain)	3.37	(4.81)
Benefit paid from fund	(0.81)	(4.38)
Closing Defined Benefit Obligation	107.92	84.46

Reconciliation of plan assets

Particulars	30/09/2021	2020-21
	₹	₹
Opening value of plan assets	81.04	68.14
Transfer in/(out) obligation	12.60	-
Expected return	2.89	4.32
Actuarial gain/(loss)	(0.48)	(0.25)
Contributions by employer	0.69	13.20
Benefits paid	(0.81)	(4.38)
Closing value of plan assets	95.93	81.04

Composition of the plan assets

Reconciliation of plan assets		
Particulars	30/09/2021	2020-21
	₹	₹
Policy of insurance	100%	100%

Reconciliation of net defined benefit liability

Particulars	30/09/2021	2020-21
	₹	₹
Net opening provision in books of accounts	3.43	11.97
Transfer in/(out) obligation	12.60	-
Transfer (in)/out obligation	(12.60)	-
Employee Benefit Expense	9.26	4.66
	12.68	16.63
Contributions to plan assets	(0.69)	(13.20)
Closing provision in books of accounts	11.99	3.43

Principle actuarial assumptions

Particulars	30/09/2021	2020-21
	₹	₹
Discount Rate	6.35% p.a	6.55% p.a
Expected Return on Plan Assets	6.35% p.a	6.55% p.a
Salary Growth Rate	7.00% p.a	7.00% p.a
Withdrawal Rates	20.00% p.a at younger ages reducing to 1.00% p.a at older ages	20.00% p.a at younger ages reducing to 1.00% p.a at older ages

Table of experience adjustments

Particulars	30/09/2021	2020-21
	₹	₹
Defined Benefit Obligation	107.92	84.46
Plan Assets	95.93	81.04
Surplus/(Deficit)	(11.99)	(3.43)
Experience adjustments on plan liabilities	1.67	(2.69)
Actuarial loss/(gain) due to change in financial assumptions	1.71	(2.11)
Actuarial loss/ (gain) due to change in demographic assumption	-	-
Experience adjustments on plan assets	0.48	0.25
Net actuarial loss/ (gain) for the year	3.85	(4.56)



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Amount Rs. In Lakhs

(c) Other Long term benefits:

The company's longterm benefits includes leave encashment at the time of retirement subject to policy of maximum leave accumulation of company. The scheme is not funded. The company has made provision based on actual liability.

29.B Disclosures under Accounting Standard -18 (Related Party Disclosures)

Particulars	
Related party transactions	
Details of related parties:	
Description of relationship	Names of related parties
Key Management Personnel (KMP)	(a) Mr. Ashwin Natvarlal Shah (up to 06th November, 2019) (b) Mr. Ankur Ashwin Shah, Managing Director (c) Mr. Sandeep Ramrao Kadam, Whole time Director (d) Mr. Suwendu Banerjee, Whole time Director (e) Mr. Vasant Modak (Up to 23rd August, 2021) (f) Mrs. Pallavi Ashwin Shah (Up to 30th January, 2020) (g) Mrs. Preyal Ankur Shah, Non-Executive Director (Up to 14th December, 2021) (h) Mrs. Preyal Ankur Shah, Additional Director Non-Executive Director and Chairperson (w.e.f. 11th January, 2022) (i) Mr. Jaykumar Toshniwal, Independent Director (w.e.f. 23rd August, 2021) (j) Mr. Divyakant Ramniklal Zaveri, Independent Director (w.e.f. 23rd August, 2021) (k) Ms. Chamy Shah, Company Secretary (w.e.f. 22nd October, 2021) (l) Mr. Piyush Harjibhai Patel, Chief Financial Officer (w.e.f. 23rd August, 2021)
Relatives of KMP	(a) Mrs. Pallavi Ashwin Shah (From 31st January, 2020) (b) Mrs. Amisha Savjani (c) Mr Chetan Dharia (d) Mrs. Sarojini Kadam (e) Mrs. Rakhi Banerjee (f) Mrs. Forum Patel
Enterprise in which KMP / Relatives of KMP or Directors can exercise significant influence	(a) Krish Industries Private Limited (b) Krish Commodities Private Limited (c) Hindustan Cables & Wires (d) White Gold Technologies LLP (e) Ankur A Shah (HUF) (f) Ashwin N Shah (HUF) (g) Shah Engineering (Proprietor Ashwin N Shah (HUF)) (i) Shah Innovators (Proprietor Ankur A Shah (HUF))

Note: Related parties have been identified by the Management.

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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Amount Rs. In Lakhs

Details of related party transactions and balances outstanding

1. Details of related party transaction during the year:

Particulars	Half year ended 30 September 2021	Year ended 31 March 2021
	₹	₹
Remuneration to Directors & Key Managerial Personnel		
Ashwin Natvarlal Shah	-	-
Ankur Ashwin Shah	60.00	120.00
Pallavi Ashwin Shah	-	-
Sandeep Kadam	6.12	12.46
Suvendu Banerjee	5.15	11.28
Piyush Patel	1.02	-
Professional charges to Key Managerial Personnel		
Vasant Modak	0.90	1.80
Salary to Relatives of Directors and Key Managerial Personnel		
Pallavi Ashwin Shah	-	-
Chetan Dharra	2.40	4.80
Sarojini Kadam	3.68	7.14
Rakhi Banerjee	3.00	5.57
Foram Patel	0.36	-
Loan Taken		
Ashwin Natvarlal Shah	-	9.90
Ankur Ashwin Shah	263.75	297.69
Pallavi Ashwin Shah	-	35.13
Preyal Ankur Shah	12.55	19.59
Krish Commodities Private Limited	31.85	32.00
Ankur A Shah (HUF)	5.50	163.06
Ashwin N Shah (HUF)	-	169.84
Loan Repaid		
Ashwin Natvarlal Shah	80.60	88.66
Ankur Ashwin Shah	91.52	204.09
Pallavi Ashwin Shah	5.81	275.44
Preyal Ankur Shah	27.25	15.05
Krish Commodities Private Limited	-	32.00
Ankur A Shah (HUF)	36.05	98.20
Ashwin N Shah (HUF)	17.32	105.47
Interest on unsecured loan		
Ashwin N Shah (HUF)	6.21	9.55
Ankur A Shah (HUF)	6.01	7.85
Pallavi Ashwin Shah	4.60	27.73
Preyal Ankur Shah	1.48	3.24
Purchase		
Krish Industries Pvt Ltd	414	198
White Gold Technologies LLP	4	2
Sales		
Krish Industries Pvt Ltd	0.03	1.35
White Gold Technologies LLP	29.03	28.59
Commission Expenses		
Krish Industries Pvt Ltd	-	-
Jobwork Charges		
Krish Industries Pvt Ltd	-	0.34



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

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Amount Rs. In Lakhs

Rent Expenses		
Krish Industries Pvt Ltd	13.80	27.60
Hindustan Cables & Wires	-	-
Rent Income		
White Gold Technologies LLP	1.20	2.40
Reimbursement of Electricity expenses		
Krish Industries Pvt Ltd	24.78	30.89

2. Details of related party balances outstanding during the year:

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Remuneration Payable		
Ashwin Natvarlal Shah	-	-
Ankur Ashwin Shah	5.55	81.00
Sandeep Kadam	0.87	1.02
Suvendu Banerjee	0.70	0.86
Piyush Patel	0.79	-
Salary Payable		
Pallavi Ashwin Shah	-	-
Chetan Dharia	0.40	0.40
Sarojini Kadam	0.58	0.58
Rakhi Banerjee	0.49	0.49
Foram Patel	0.28	-
Amount Payable		
Ashwin Natvarlal Shah	228.63	309.23
Ankur Ashwin Shah	418.73	246.51
Pallavi Ashwin Shah	104.14	105.35
Preyal Ankur Shah	26.53	39.75
Krish Commodities Private Limited	31.85	-
Ankur A Shah (HUF)	116.34	141.48
Ashwin N Shah (HUF)	174.21	185.94
Trade Payable		
Krish Industries Pvt Ltd	266.78	-
Hindustan Cables & Wires	0.53	0.53
Vasant Modak	0.14	0.22
Trade Receivable		
White Gold Technologies LLP	189.18	234.06
Krish Industries Pvt Ltd	93.27	26.12
Deposits		
Krish Industries Pvt Ltd - Rent Deposit	10.00	10.00
Hindustan Cables & Wires - Rent Deposit	0.51	0.51

29.C Disclosures under Accounting Standard-19 (Leases)

Company as a Lessee

The Company's significant leasing arrangement are primarily in respect of operating leases for factory where the lease is cancellable by either of the party. The aggregate lease rentals paid during the year are as under

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) The annual lease rent paid during the year	17.95	0.00
(b) The annual lease rent paid		
Not later than one year	28.80	17.14
Later than one year and not later than five year	115.20	-
Beyond five year	-	-



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Amount Rs. In Lakhs

Company as a Lessor

The Company's significant leasing arrangement are primarily in respect of operating leases for factory. The aggregate lease rentals received during the year are as under

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) The annual lease rent received during the year	1.20	0.00
(b) The annual lease rent received		
Not later than one year	2.92	2.78
Later than one year and not later than five year	8.53	11.45
Beyond five year	-	-

29.D Disclosures under Accounting Standards - 20 (Earnings Per Share)

Computation of Earnings per share:

Particulars	30/09/2021	2020-21
	₹	₹
Profit available to Equity Share holders	122.11	186.24
Weighted average number of shares -		
shares Outstanding during the year before bonus issue(Nos.):	4,200,000	4,200,000
Add : Bonus Issue made (Nos.)	4,200,000	4,200,000
	8,400,000	8,400,000
Face Value per share	10	10
Basic Earnings per share	1.45	2.22
Diluted Earnings per share	1.45	2.22

29.E Disclosures under Accounting Standards- 22 (Accounting for taxes on Income)

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of Property, plant and equipment	33.48	23.22
Tax effect of items constituting deferred tax liability	33.48	23.22
<u>Tax effect of items constituting deferred tax assets</u>		
On items disallowed u/s 43B of Income Tax Act, 1961	4.24	2.12
Tax effect of items constituting deferred tax assets	4.24	2.12
Net deferred tax (liability) / asset	(29.25)	(21.09)



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

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Amount Rs. In Lakhs

29.F Disclosures under Accounting Standard-17 (Segment Reporting)

Operating Segments

1. Company has identified the two operating segment based on its operating activity

- Dairy & Kitchen equipment's segment
- Defence Products

Particulars	As a30 September, 2021			As a31 March 2021		
	Dairy & Kitchen equipment's segment	Defence Products	Total	Dairy & Kitchen equipment's segment	Defence Products	Total
	₹	₹	₹	₹	₹	₹
Revenue						
External	813.23	1,258.32	2,071.56	1,070.43	2,432.23	3,502.66
Inter Segment	-	-	-	-	-	-
Total Sales & Operating Income	813.23	1,258.32	2,071.56	1,070.43	2,432.23	3,502.66
Other Income	4.99	3.83	8.82	22.23	61.96	84.19
Total Revenue	818.23	1,262.15	2,080.38	1,092.66	2,494.19	3,586.85
Results						
Segment Results	38.78	332.07	370.85	96.44	431.21	527.65
Add: Interest and Other Income			17.82			45.94
Less: other unallocable expenses			222.41			309.90
Profit Before Tax			166.26			263.69
Less: Taxes			44.15			77.45
Profit After Tax			122.11			186.24
Segment Asset	1,479.41	3,279.04	4,758.45	1,214.61	3,443.56	4,658.17
Unallocated Corporate Assets			1,045.69			109.34
Total Assets			5,804.14			4,767.51
						3,443.56
Segment Liability	462.05	937.45	1,399.50	337.53	836.52	1,174.05
Unallocated Corporate Liabilities			2,479.75			2,628.37
Total Liabilities			3,879.25			3,802.42
Capital Expenditure	259.35	954.99	1,214.34	266.68	867.67	1,134.35
Unallocated Capital Expenditure			196.10			201.01
Total Capital Expenditure			1,410.44			1,335.36
Segment Depreciation	10.12	54.80	64.92	25.15	104.21	129.36
Unallocated Segment Depreciation			4.91			10.29
Total Segment Depreciation			69.83			139.65



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

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Amount Rs. In Lakhs

NOTE NO. 30: Other Disclosures

30.A Disclosures related to Micro, Small and Medium Enterprises.

The Company has made payments of dues to Micro, Small and Medium enterprises generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act.

The details relating to Micro, Small and medium enterprise disclosed as under :

SN	Particulars	As at 30 September, 2021	As at 31 March 2021
		₹	₹
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	115.90	0.00
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
3	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	4.17	5.00
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	4.17	5.00
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

30.B Foreign Exchange exposure as on year end are as under:

Particulars	As at 30 September, 2021	As at 31 March 2021
	₹	₹
(a) Amount Receivable	Rs. 57.64 \$0.89	Rs. 73.07 \$1.10
(b) Advance received for supply of goods	-	Rs. 22.43 \$0.29 EUR 0.02

30.C Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as specified in Schedule VII of the Companies Act, 2013. The details of amount required to be spent and actual expenses spent during the year is as under:

- (a) Gross amount required to be spent by the company for the period ended : (30th September, 2021 Rs. Nil) , (31st March, 2021 Rs. 6.35 Lakhs).
 (b) Company is not required to spend any amount for CSR under section 135 of the Company Act, 2013 for the year, as the company's profit does not exceeds prescribed limit specified under section 135 of the Company Act, 2013 for preceding the company during preceding three years.
 (c) Amount spent are as under:

SN	Particulars	Half year ended 30 September 2021	Year ended 31 March 2021*
		₹	₹
1	Construction / Acquisition of Assets	-	-
	- In cash	-	-
	- Yet to be paid in cash	-	-
2	On purpose other than (i) above	-	15.50
	- In cash	-	-
	- Yet to be paid	-	-

* Out of above, Rs. 8.79 Lakhs is pertaining to FY 2019-20.

30.D Trade Payable Ageing summary

SN	Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
		₹	₹	₹	₹	₹
	As at 30 September, 2021					
(i)	MSME	111.99	3.16	0.60	0.15	115.90
(ii)	Others	808.54	8.73	52.42	0.71	870.40
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-
	As at 31 March 2021					
(i)	MSME	137.03	13.05	2.58	0.01	152.67
(ii)	Others	450.76	9.42	60.04	0.02	520.24
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iv)	Disputed Dues - Others	-	-	-	-	-



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KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : U74900MH2013PLC248021

Amount Rs. in Lakhs

30.E Trade Receivable Ageing summary

SN	Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
		₹	₹	₹	₹	₹	₹
As at 30 September, 2021							
(i)	Undisputed Trade Receivable - Considered Good	822.04	44.72	11.77	120.80	142.66	1,141.78
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	-	77.84	-	77.84
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
As at 31 March 2021							
(i)	Undisputed Trade Receivable - Considered Good	866.31	22.44	127.60	152.07	74.53	1,242.95
(ii)	Undisputed Trade Receivable - Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - Considered Good	-	-	77.84	-	-	77.84
(iv)	Disputed Trade Receivable - Considered doubtful	-	-	-	-	-	-

30.F Accounting Ratios

SN	Particulars	30/09/2021	2020-21
		₹	₹
1	Current Ratio	1.65	1.82
2	Debt-Equity Ratio	0.64	0.81
3	Debt Service Coverage Ratio	0.17	0.25
4	Return on Equity Ratio	6.34%	10.18%
5	Trade Receivables turnover ratio (in times)	3.40	2.76
6	Net capital turnover ratio (in times)	0.66	1.06
7	Net profit ratio	5.89%	5.32%
8	Inventory Turnover Ratio	1.11	0.94
9	Return on Capital employed	6.82%	10.82%

30.G Adjustment in opening reserve as at 01st April, 2021 due to restatement

Particular	Surplus	Defence Technology Absorption Reserve	Security Premium	Other Equity
Reserve as at 31.03.2021	1,384.08	-	25.00	1,409.08
Reversal of Bank Interest Income related to earlier years	(11.45)	-	-	(11.45)
Provision for Interest on Micro Small and Medium Enterprise related to earlier years	(14.86)	-	-	(14.86)
Restated Reserve as on 31.03.2021	1,357.78	-	25.00	1,382.78

NOTE NO. 31: Previous year's figures

The figures of previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

Signature to Notes '1' to '31'
As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRNo. : 101961WAV-109071W

Alok Shah
Partner
Mem no. 042005
Vadodara, 08th Feb 2022.



Ankur Ashwin Shah
Managing Director
DIN : 01166537
Charmy Shah
Company Secretary

For and on behalf of the Board of Directors
Sandeep Ramnath Kadam
Whole Time Director
DIN : 15841100
Rajesh Hrishabh Patel
Chief Financial Officer

Vadodara, 08th Feb 2022.