

# LATTEYS INDUSTRIES LIMITED

CIN : L29120GJ2013PLC074281

(Manufacturer & Exporter of Solar Pumps)



## 11<sup>TH</sup> ANNUAL REPORT

2023-24



## **ABOUT LATTEYS INDUSTRIES LIMITED**

As India's leading manufacturer of energy efficient submersible pumps, we are well-known in our industry. We create our products for a number of sectors which includes agricultural, industrial, domestic and horticultural.

Our Company is in the business of providing of pumping solutions for Domestic, agriculture, horticulture & Industrial sectors. Pumps includes Submersible, Self-Priming, Centrifugal Mono block, Shallow-well and Horizontal Open well Submersible Pump, since 2004.

Company manufactures more than 1200 models of pumps in its portfolio. These pumps are manufactured and marketed all over the India and abroad. We are pioneer in manufacturing of Submersible pumps.

The company started its manufacturing in year 2004 in Chhatraal, Gujarat and moved to a strategic location of GIDC Naroda, Gujarat with an area of 5,718 sq. meters in year 2011. The company currently has an installed production capacity of approximate 1,20,000 pumps per annum. The manufacturing facilities are equipped with requisite machineries, measuring instruments and testing equipments to keep up a constant check on quality of products more.

The company is an ISO 9001:2015 certified company for certifying the quality system of our company.



PUMPS | MOTORS



Miles to go...

LATTEYS INDUSTRIES LIMITED Provides you High Quality, Reliable & Cost Effective Water Pumps for your HOUSES, INDUSTRIES, AGRICULTURE & FARMS.

**AGRICULTURE**

**DOMESTIC**

**INDUSTRIAL**

**SOLAR**

Create Energy by Saving Energy

**1st**

QUALITY PRIORITY

- » **UPLIFTING VALUES** for our Customers...
- » **REACH OUT** to our valuable Customers across needs...
- » **SECURING GROWTH & PROSPERITY** with our people.

**HI-FLOW & ENERGY EFFICIENT**

**100%** COST RECOVERY IN JUST 30 MONTHS

**EASY TO MAINTAIN**

**LOW POWER CONSUMPTION**

**HIGH DISCHARGE & SUCTION**



**LATTEYS INDUSTRIES LIMITED**

Plot No. 16, Phase 1/2, GDIC Estate, Naroda, Ahmedabad-382330, Gujarat  
[www.latteysindustries.com](http://www.latteysindustries.com) | [info@latteysindustries.com](mailto:info@latteysindustries.com)

OFFICES: AHMEDABAD | BHUBANESHWAR | COCHIN | DELHI | JAIPUR | KANPUR  
 KOLKATA | PATNA | PUNE | RANCHI | INDORE | SECUNDERABAD



PUMPS | MOTORS



# Watering India to Flow

### V3,V4 SUBMERSIBLE MOTOR PUMPS



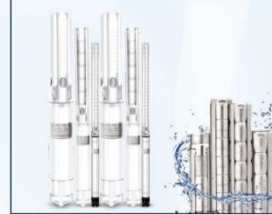
HEAD RANGE: 5 MTR - 462 MTR  
DISCHARGE: 15 LPM - 600 LPM  
HORSE POWER: 0.5 HP - 10 HP

### V5~V9 SUBMERSIBLE MOTOR PUMPS



HEAD RANGE: 5 MTR - 500 MTR  
DISCHARGE: 15 LPM - 3400 LPM  
HORSE POWER: 3.0 HP - 150 HP

### V4,V6,V8 STAINLESS STEEL SUBMERSIBLE PUMPS



HEAD RANGE: 4 MTR - 425 MTR  
DISCHARGE: 10 LPM - 4000 LPM  
HORSE POWER: 0.5 HP - 100 HP

### VERTICAL OPENWELL PUMPS



HEAD RANGE: 5 MTR - 157 MTR  
DISCHARGE: 125 LPM - 2550 LPM  
HORSE POWER: 3.0 HP - 20 HP

### HORIZONTAL OPENWELL PUMPS (OLMPS)



HEAD RANGE: 06 MTR - 100 MTR  
DISCHARGE: 100 LPM - 2200 LPM  
HORSE POWER: 3.0 HP - 20 HP

### CENTRIFUGAL MONOBLOCK PUMP "B" CLASS INSULATION



HEAD RANGE: 5 MTR - 40 MTR  
DISCHARGE: 2000 LPH - 78000 LPH  
HORSE POWER: 0.5 HP - 5.0 HP

### CENTRIFUGAL MONOBLOCK PUMP "A" CLASS INSULATION



HEAD RANGE: 6 MTR - 100 MTR  
DISCHARGE: 200 LPM - 1850 LPM  
HORSE POWER: 3.0 HP - 20 HP

### SHALLOW WELL JET PUMPS



HEAD RANGE: 3 MTR - 50 MTR  
DISCHARGE: 200 LPH - 5000 LPH  
HORSE POWER: 0.5 HP - 1.5 HP

### MONOBLOCK PUMPS



HEAD RANGE: 03 MTR - 70 MTR  
DISCHARGE: 50 LPH - 5000 LPH  
HORSE POWER: 1. HP - 1.5 HP

### MINI MONOBLOCK PUMPS



HEAD RANGE: 03 MTR - 50 MTR  
DISCHARGE: 30 LPH - 4000 LPH  
HORSE POWER: 0.5 HP - 1.0 HP

### INDUCTION MOTORS



POWER: 0.5HP - 20HP  
SPEED: 2800, 1440, 960 RPM  
PHASE: SINGLE, THREE

### OPEN WELL PUMPS



HEAD RANGE: 3 MTR - 50 MTR  
DISCHARGE: 2100 LPH - 30000 LPH  
HORSE POWER: 0.5 HP - 2.0 HP

### PRESSURE BOOSTER PUMPS



PRESSURE: 1.5KG/CM<sup>2</sup>~4.5KG/CM<sup>2</sup>  
CAPACITY: 3200 LPH - 6000 LPH  
HORSE POWER: 0.5 HP - 1.0 HP

### SOLAR PUMPSSETS



SOLAR: 5MTR~150MTR  
DISCHARGE:15lpm - 1500lpm  
HORSE POWER: 0.5HP - 10HP

### CONTROL PANEL



ANALOGUE & DIGITAL PANEL  
PHASE: SINGLE, THREE  
HORSE POWER: 0.5HP - 20HP



HI-FLOW & ENERGY EFFICIENT | 100% COST RECOVERY IN JUST 30 MONTHS  
EASY TO MAINTAIN | LOW POWER CONSUMPTION | HIGH DISCHARGE & SUCTION

TOLL-FREE No.: 1800 313 0208







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# **CORPORATE INFORMATION**

## **Board of Directors**

**Kapoor Chand Garg (DIN No. 0434621)**

Managing Director

**Ashish Kumar Gupta (DIN No. 01472111)**

Independent Director

**Pawan Garg (DIN No. 0434836)**

Whole Time Director

**Sachin Gupta (DIN No: 03637291)**

Independent Director

**Saroj Garg (DIN No03564480)**

Non-Executive Director

**Piyush Poddar (DIN No. 09268033)**

Independent Director

## **Key Managerial Personnel :**

**Sonika Jain**

Company Secretary & Compliance Officer

**Mr. Sumit Goel**

Chief Financial Officer

## **COMMITTEES**

- **AUDIT COMMITTEE**

**Mr. Ashish Kumar Gupta**

(Chairman & Independent Director)

**Mrs. Saroj Garg**

(Member & Non-Executive Director)

**Mr. Sachin Gupta**

(Member & Independent Director)

- **NOMINATION & REMUNERATION COMMITTEE**

**Mr. Ashish Kumar Gupta**

(Chairman & Independent Director)

**Mrs. Saroj Garg**

(Member & Non-Executive Director)

**Mr. Sachin Gupta**

(Member & Independent Director)

- **STAKEHOLDER RELATIONSHIP COMMITTEE**

**Mr. Ashish Kumar Gupta**

(Chairman & Independent Director)

**Mrs. Saroj Garg**

(Member & Non-Executive Director)

**Mr. Sachin Gupta**

(Member & Independent Director)



## **STATUTORY AUDITOR**

**M/s K.N.Gutgutia & Company** Chartered Accountants  
Delhi

## **INTERNAL AUDITOR**

M/s Bansal Harish & Company  
Chartered Accountants  
Delhi

## **REGISTRAR & SHARE TRANSFER AGENT**

**Accurate Securities & Registry Private Limited**  
203, Shangrila Arcade, Above Samsung  
Showroom, Nr. Shyamal Cross Road  
Satellite, Ahmedabad – 380015 Tel. 079-4800319

## **BANKERS**

**HDFC BANK LTD**  
Naroda, GIDC, Ahmedabad

**ICICI BANK LTD**  
Drive in Road, Ahmedabad

## **REGISTERED OFFICE & FACTORY ADDRESS**

Plot No. 16, Phase 1/2 GIDC Estate,  
Naroda GIDC,  
Ahmedabad-382330, Gujarat, India  
Tel No.: 079-22822894/22823354  
Email: [info@latteysindustries.com](mailto:info@latteysindustries.com)  
web: [www.latteysindustries.com](http://www.latteysindustries.com)

## **BRANCH OFFICES OF THE COMPANY**

### **DELHI : LATTEYS INDUSTRIES LIMITED**

T- 104,, Shivaji Nagar, Narela, North West Delhi,  
Delhi, 110040

### **INDORE : LATTEYS INDUSTRIES LIMITED**

41, Nasia Road, Opp, Gujrati College, Indore,  
Madhya Pradesh, 452001

### **RANCHI : LATTEYS INDUSTRIES LIMITED**

Plot No 420 Sub Plot No 420/N, Khata No.171,  
Lalgutwa, Itki Road, Ranchi, Jharkhand, 834005

### **PATNA : LATTEYS INDUSTRIES LIMITED**

Behind Patliputra School, H/O-Deepak Kumar,  
Jagjivan Lane, Jagat Narayan Road, Kadam Kuan Circle,  
Patna

### **PUNE : LATTEYS INDUSTRIES LIMITED**

Gt No-118/4/1, Uruli Phata Back To Police Chowky  
Urlidevachi, Pune, Maharashtra, 412308

### **KANPUR : LATTEYS INDUSTRIES LIMITED**

124/629, S-Block, Vinoba Nagar,  
Kanpur Nagar, Uttar Pradesh, 208014

### **JAIPUR : LATTEYS INDUSTRIES LIMITED**

Plot No - B-3,B-4, Krishna Vihar, Hasampura, Jaipur  
Rajasthan, 302026

## **BRIEF PROFILE OF BOARD OF DIRECTORS**



Kapoor Chand Garg, is a visionary, self made industrialist and leader with a strong business acumen and knowledge in development of products and management. More than 3 decades of experience and business development activities exploring and expanding new business opportunity across the world.

Pawan Garg, with more than 25 years of experience in the Pump Industry such as self priming motor, submersible pumps etc. An extensive business travels across the world helped him to adopt latest and best practices in business to develop a competitive edge.



Saroj Garg, Determined professional with rich experience in innovative approach in accounts, and industrial relations ensuring administration and legal compliances.

## MANAGING DIRECTOR'S MESSAGE

**Dear Shareholders,**

It brings me immense pleasure to put forth the 11th Annual Report of your Company, **Latteys Industries Limited**, for the financial year 2023-24.

We have confident that the progress we made during FY 2023-24 put us on the right path to improve the execution of our strategy and drive sustainable profitable growth over the long term. Although the world is facing tough times ahead, your Company is well-positioned to rise.

During the preceding year, the global economy witnessed a widespread slowdown along with high inflation. The war in Eastern Europe and increasing interest rates dampened the outlook for people and businesses at large.

Recessionary trends began to emerge in many economies. Nevertheless, the Indian economy continued to show robust growth buoyed by high investment activity and private consumption. The favourable environment supported top-line growth of your Company in domestic markets during the first quarter of the year. However, a steep rise in raw material costs coupled with a continuing shortage in containers affected our margins.

All these setbacks to revenue growth were substantially overcome from the second quarter onward. our overall performance by the end of the year was satisfactory despite of external challenges.

While we have always known that each business stands uniquely apart in its thinking, objectives and resources, we believe that timing is an opportunity to run them independently. The year gone by is proof of our long term innovative approach of doing business whether from the point of view strategy, operations or sustainability and various business verticals allows the company to maintain a space and remain competitive in today's ever challenging market place. After considerable thoughts, our sustainable way to move to the next level on product differentiation that will continue to be our backbone to develop market and stay true to **Latteys's** core purpose "to serve the world with a better lifestyle" by delivering best quality products of Pumps and consistently improve quality and standards for betterment of our customers.

Committed to delivering on our promises, we strive to uphold the trust and honour bestowed upon us, as we continue to move closer to this purpose. By remaining dedicated to our core values, we aim to exceed expectations and make a positive impact on the lives of our stakeholders.

I would like to acknowledge the hard work, dedication of our talented employees for their passion and dedication with which they continue to contribute to the culture of excellence. I thank you all for your continued support in our growth. Further I also thank you to our investors, for your patience and showing confidence and trust in our management capabilities and guidance thus far and looking forward to the future with optimism and innovation.

As we move forward with your support into next year, may you and your family stay safe and healthy.

Warm Regards,

Sd/-

Kapoor Chand Garg,  
Chairman & Managing Director  
DIN No. 00434621



## **NOTICE OF 11th ANNUAL GENERAL MEETING**

NOTICE is hereby given that 11<sup>th</sup> Annual General Meeting of the members of M/s. LATTEYS INDUSTRIES LIMITED will be held at registered office of the Company on Monday 30<sup>th</sup> Day of September, 2024 at 1:30 P.M. through video conference (vc)/ other audio visual means (OAVM) to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1. To receive, consider and adopt the Audited Financial Statement of the company for the financial year ended on March 31, 2024 together with the Report of Board of Directors and Report of Auditors thereon**

To consider and if though fit, to pass, with or without modification the following resolution as an **Ordinary Resolution:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March 2024, including Audited Balance Sheet as at 31st March 2024, the statement of Profit and Loss Account and the cash flow statement for the year ended on 31st March, 2024 along with the reports of Auditors and Directors thereon.

#### **2. To appoint Mr. Pawan Garg (DIN : 00434836) who retires by rotation and being eligible offer himself for re-appointment**

To appoint a Director in place of Mr. Pawan Garg (DIN: 00434836), who, retires by rotation and being eligible offers, himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution

**“Resolved that** pursuant to the provisions of Section 152(6) and other applicable provisions, if any, of the Companies Act, 2013 and in terms of Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Pawan Garg (DIN: 00434836), who retires by rotation and being eligible, offered himself for re-appointment, be and is hereby re-appointed as the Director of the Company.”

#### **3. To Appoint of M/s Piyush J Shah & Co, Ahmedabad, Firm Registration No. 121172W as Statutory Auditor of the Company.**

**“RESOLVED THAT** pursuant to the provisions of Section 139 (8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and upon recommendation of the Audit Committee and Board of Directors, Piyush J Shah & Co., Chartered Accountants, Ahmedabad, having Firm Registration No.: 121172W, be and are hereby appointed as

Statutory Auditors of the Company, to hold office from the conclusion of 11<sup>th</sup> Annual General Meeting to until the conclusion of 16<sup>th</sup> Annual General Meeting to be held in year 2029 at such remuneration plus applicable taxes and reimbursement of out of pocket expenses in connection with the audit, which will be recommend by the Audit Committee and fixed by the Board of Directors of the Company..”

Registered Office:  
PLOT NO. 16, PHASE-1/2,  
GIDC ESTATE,  
NARODA,  
AHMEDABAD – 382330,  
GUJARAT, INDIA

Date: 02.09.2024  
Place: AHMEDABAD

**By order of the Board  
FOR LATTEYS INDUSTRIES LIMITED**

Sd/-  
Kapoor Chand Garg  
**Managing Director**  
**(DIN : 00434621)**



## **NOTES:**

1. The relative Explanatory statement pursuant to section 102 of the Companies Act, 2013 (“Act”) setting our material facts concerning the business under item 4 to 6 of the Notice, is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement ) Regulation, 2015 (“SEBI Listing Regulation“) and Secretarial Standards on General Meeting issued by the Institute of Company secretaries of India, in respect of Director seeking appointment/ re-appointment at this Annual General Meeting (“AGM”) are also annexed. Also, additional information as per sub para (B) of section II of para II of schedule V of the companies act, 2013 is annexed.
2. In view of the continuing COVID-19 pandemic, the Companies are permitted to conduct the Annual General Meeting through video conferencing (VC) or Audio Visual means without the physical presence of the member at a common venue, for the calendar year 2022, by the Ministry of Corporate Affairs vide its circular no. 02/2022 dated May 05, 2022 Circular No. 20/2020 dated May 5, 2020, Circular No. 2/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021 and Circular No. 21/2021 dated December 14, 2021 and Securities and Exchange Board of India (SEBI) vide its circular nos. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CFD/CMD1/CIR /P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2 /CIR/ P/2021/11 dated January 15,2021. Pursuant to the above circulars, 11th AGM of the Company shall be conducted through VC/OAVM and hence, the facility for appointment of proxy by the members is not available for this AGM and the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. Pursuant to the above circulars, Annual Report for the Financial Year 2023-24 and Notice of 11th AGM are sent only through electronic mode to all the Members of the Company. Physical copy of Annual Report and Notice calling 11th AGM will be sent to those shareholders, who have requested for the same.
3. Pursuant to the provisions of the act, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of the AGM venue are not annexed to this notice.
4. For convenience of Members and proper conduct of AGM, the Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Corporate members intending to send their authorized representative to attend the meeting are requested to send a certified copy of Board Resolution authorized their behalf at the meeting.
7. In line with the aforesaid MCA Circular and SEBI Circulars, the Notice of the AGM along with Annual Report for the FY 2023-2024 is being sent only through electronic mode to those member whose E-mail address are registered with the Company/ depositories. The Notice convening the 11th AGM has been uploaded on the website of the company at [www.latteysindustries.com](http://www.latteysindustries.com).
8. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting facility. The members who have already

cast their votes prior to AGM using the remote e-voting facility may also join the AGM though VC, but shall not be entitled to cast their votes again at the AGM

9. As per the provisions of Section 72 the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's RTA by Members holding shares in physical form. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members holding shares in electronic form may obtain Nomination forms from their respective DPs.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs and SEBI the Company is providing facility of remote voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of AGM will be provided by the NSDL.
11. In line with MCA Circulars and SEBI Circulars, the Annual Report for the financial year 2023-24 along with Notice of 11th AGM of the Company inter-alia indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s) for communication. Members may note that the aforesaid documents may also be downloaded from the Company's website [www.latteysindustries.com](http://www.latteysindustries.com) and the website of National Stock Exchange of India Limited In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically.
12. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained as per the Companies Act, 2013 will be available for electronic inspection by the members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM i.e., September 30, 2024 Members seeking to inspect such documents may send an email to [cs@latteysindustries.com](mailto:cs@latteysindustries.com).
13. The Register of Members and the Share Transfer books of the Company will remain closed from **Friday 20<sup>th</sup> Day of September 2024 to Monday, 30<sup>th</sup> Day of September 2024 (both days inclusive)** for Annual General Meeting.
14. Brief resume of the Director proposed to be appointed / re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter-se as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standard-2 on General Meetings, are provided in Annexure 1.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
16. Members' voting rights shall be in proportion to his/her share of paid up equity shares capital of the Company.
17. In case of joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.

18. Members may also note that the Notice of the 11th Annual General Meeting, Attendance Slip, Proxy Form, Ballot Paper and Annual Report will also available on the Company's website [www.latteysindustries.com](http://www.latteysindustries.com) for their download.
19. Member desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company registered office at least 5 days before the Annual General Meeting so that the same can be suitably replied to.
20. Documents specifically stated in Explanatory Statement are open for inspection at the registered office of the Company between 10:00 AM and 06:00 PM on all working days (except Sunday, and Public Holidays) up to the date of announcement of result of AGM.
21. The Company has appointed M/s. Ashish Sheth & Associates, Chartered Accountants (FRN :146184W) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
22. The Scrutinizer shall, immediately after the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in the favor or against, if any, forthwith to the Chairman of the Company, who shall counter-sign the same.
23. The result shall be declared at or after the Annual General Meeting of the Company. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.latteysindustries.com](http://www.latteysindustries.com) immediately after the result is declared by the chairman and communicated to NSE Limited.
24. Electronic copy of the Notice of the 11th Annual General Meeting of the Company, inter alia, indicating the process of e-voting along as stated herein is being sent to all the members whose email id are registered with the Company for communication purpose unless any member has requested for a physical copies of the same.
25. **The record date for the purpose of determining the eligibility of the Members to attend the 11th Annual General Meeting of the Company is 20<sup>th</sup> September, 2024.**

Registered Office:  
PLOT NO. 16, PHASE-1/2,  
GIDC ESTATE,  
NARODA,  
AHMEDABAD – 382330,  
GUJARAT, INDIA

Date: 02.09.2024  
Place: AHMEDABAD

**By order of the Board  
FOR LATTEYS INDUSTRIES LIMITED**

Sd/-  
Kapoor Chand Garg  
**Managing Director**  
**DIN : 00434621**

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on 27<sup>th</sup> September, 2024 at 09.00 A.M. and ends on 29<sup>th</sup> September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20<sup>TH</sup> of September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20<sup>TH</sup> September, 2024.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ul style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will</li></ul>

have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ul style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ul>
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<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.

EVEN Number followed by Folio Number registered with the company

For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sheth.ashish013@gmail.com with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@latteysindustries.com](mailto:cs@latteysindustries.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@latteysindustries.com](mailto:cs@latteysindustries.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.



4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [cs@latteysindustries.com](mailto:cs@latteysindustries.com). The same will be replied by the company suitably.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (ANNEXURE –A)**

(Pursuant to Regulation 36 of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 and clause 1.2.5 of Secretarial Standards -2 on General Meetings)

Name of Directors	Mr Pawan Garg
Age	44 Yrs
Date of Birth	15.06.1980
DIN	00434836
Brief Resume & Expertise	He is a visionary, self made industrialist and leader with a strong business acumen and knowledge in development of products and management. More than 3 decades of experience and business development activities exploring and expanding new business opportunity across the world.
Terms & Condition of Appointment	As per Nomination & Remuneration Policed published on Company's Website i.e., <a href="http://www.latteysindustries.com">www.latteysindustries.com</a>
Chairman/Member of the Committee of the Company	None
No. of Share Held in Company	15,70,875 Shares
Relationship with any Director or KMP of the Company	He is a brother of Mr. Kapoor Chand Garg

Registered Office:  
PLOT NO. 16, PHASE-1/2,  
GIDC ESTATE,  
NARODA,  
AHMEDABAD – 382330,  
GUJARAT, INDIA

Date: 02.09.2024  
Place: AHMEDABAD

**By order of the Board  
FOR LATTEYS INDUSTRIES LIMITED**

Sd/-  
Kapoor Chand Garg  
**Managing Director**  
**DIN : 00434621**

## **DIRECTORS REPORT**

**To,**  
**The Members,**  
**LATTEYS INDUSTRIES LIMITED**

**Dear Members,**

Your Directors are pleased to present this Eleventh (11th) Annual Report of your company along with Audited Financial Statements for the Financial Year ended on March 31, 2024 .

### **FINANCIAL HIGHLIGHTS: (In Lakhs)**

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Turnover	6364.61	5293.67
Other Income	31.00	71.41
<b>Total Income</b>	<b>6395.61</b>	<b>5365.08</b>
Finance Cost	166.21	129.46
Depreciation and amortization expenses	143.85	124.24
<b>Profit Before Tax</b>	<b>203.02</b>	<b>182.02</b>
Tax Expenses:		
Current Tax	62.07	57.00
Deferred Tax	-8.61	-8.32
<b>Profit after Tax</b>	<b>149.55</b>	<b>132.84</b>

### **COMPANY'S PERFORMANCE REVIEW:**

**During the under review, the performance of the Company is Satisfactory. The Total Turnover during the year under review has increased by 20% and Total profit before tax is increased by 13%.**

- During the Financial Year ended March 31, 2024, the Company's total Revenue from operations was Rs. **6364.61** Lakhs /- as against Rs.. **5293.67 Lakhs**/- in the corresponding previous Financial Year ended March 31, 2023.

- The Profit after tax (PAT) for the Financial Year ended March 31, 2024 is **149.55**/- Lakhs as against Profit of Rs. **132.84**/- Lakhs in the corresponding previous Financial Year ended March 31, 2023.

Your Company is focusing on the strategic pillars of cost efficiency programs, innovation, brand building and distribution in order to sustain growth and profitability. During the challenging times, the Company maintained its liquidity position by minimizing cash outflows. The company plans to grow its national and international footprint in the coming years. The company has continued its effort to deliver a quality product and service to the customers, which helps maintain the leadership position in the market.

### **TRANSFER TO RESERVES**

The Company has incurred profit of Rs. 149.55 Lakhs for the current financial year and the same is proposed to be transferred to Reserve and Surplus.

### **CHANGES IN NATURE OF THE BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended 31st March, 2024.

### **DIVIDEND**

With a view to conserve the available resources, it has been proposed by the Board of Directors not to declare any Dividend for the financial year 2023-24.

### **DIVIDEND DISTRIBUTION POLICY**

Your Company had adopted Dividend Distribution Policy, in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). The Policy is available on the Company's website: [www.latteysindustries.com](http://www.latteysindustries.com) In terms of the Policy, Equity Shareholders of the Company may expect Dividend if the Company has surplus funds and after taking into consideration relevant internal and external factors enumerated in the policy for declaration of dividend.

### **SHARE CAPITAL**

During the year 2023-2024, there is no change in the paid-up equity share capital of the Company. The equity shares of the Company are listed on National Stock Exchange of India Limited ("NSE").

### **DEPOSITS**

During the year under review, the Company has not accepted or renewed any deposits from public falling within the purview of provisions of Section 73 and 76 of the Companies Act, 2013 ("the Act") and Rules framed thereunder.

## **SUBSIDIARY & ASSOCIATES**

The Company has following Subidiary Company:

S.N	Name of the Company	Nature	Business
1.	Latteys Electrical Pvt Ltd	Subsidiary	Trading in Electrical

Further, a statement containing salient features of the financial statements of our associate company in the prescribed format AOC-1 is appended to the Board's Report. The statement also provides the details of performances, financial position of our associate concern. The Company does not have any Joint Venture & Associate Companies

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, read with Article 96 of the Articles of Association of the Company, Mr. Pawan Garg (DIN 00434836) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers herself for re-appointment. The Board recommends his re-appointment.

The details of Mr. Pawan Garg, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard - 2 of General Meeting are contained in the accompanying Notice calling Tenth (11th) Annual General Meeting of the Company, which forms an integral part of this Report.

### **I. The Directors and Key Managerial personnel of the Company as on 31<sup>st</sup> March, 2024 are as below:**

<b>N.</b>	<b>Name</b>	<b>Designation</b>	<b>DIN/PAN</b>
1	KAPOOR CHAND GARG	Managing Director	00434621
2	PAWAN GARG	Whole time Director	00434836
3	SAROJ GARG	Non-Executive Director	03564480
4	SACHIN GUPTA	Independent Director	03637291
5	AASHISHKUMARGUPTA	Independent Director	01472111
6	PIYUSH PODDAR	Independent Director	09268033
7	SUMIT GOEL	Chief Financial Officer	AAEPG2734R
8	SONIKA JAIN	Company Secretary	CCBPJ7796M

During the current financial year 2023-2024 there is no changes in Key Managerial Personnel.

## **CORPORATE GOVERNANCE:-**

A separate report on Corporate Governance Compliance as stipulated in Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) forms part of the Director’s Report.

## **DIRECTOR RESPONSIBILITY STATEMENT**

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, hereby state and confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **DECLARATION BY INDEPENDENT DIRECTOR**

The Company has received declarations from all the Independent Directors, confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

In terms of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they are in compliance with sub-rule (1) and (2) of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

## **ANNUAL EVALUATION BY THE BOARD**

In view of the provisions of the Companies Act, 2013 and considering the Guidance Note dated 5th January, 2017, issued by the Securities and Exchange Board of India (“SEBI”), the Nomination & Remuneration Committee of the Board had laid down comprehensive framework including the criteria for evaluation of performance of the Board as a whole and various committees of the Board and individual Directors, including Independent Directors.

Based on the above mentioned comprehensive framework, the Board of Directors of the Company had carried out Annual Evaluation of the performance of the Board as a whole, the Directors individually and also the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Risk Management Committee.

On collation of all the responses, feedback was provided by Chairman of the Board to the Board of Directors and each member of the Board. The Board noted the evaluation results that were collated and presented to the Board. The Directors expressed their satisfaction with the evaluation process.

## **BOARD MEETINGS:-**

During the year, Seven Board Meetings, as follows were convened and held with requisite quorum. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report attached hereto which forms part of this Report.

- |               |               |
|---------------|---------------|
| 1. 21.04.2023 | 5. 11.11.2023 |
| 2. 30.05.2023 | 6. 02.01.2024 |
| 3. 14.08.2023 | 7. 12.02.2024 |
| 4. 02.09.2023 |               |

## **DETAILS OF COMMITTEE OF DIRECTORS:-**

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors, Stake Holders Relationship/ Grievances Committee of Directors and Corporate Social Responsibility Committee, number of meetings held of each Committee during the Financial year 2023-24 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per the requirement of Regulation 34 of the Securities Exchange Board of India (Listing Obligation & Disclosure Requirement) Regulation 2015, Management Discussion and Analysis of the financial condition and result of operation have been provided separately in this Annual Report.

### **REMUNERATION POLICY:-**

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on appointment and remuneration of Directors and Key Managerial Personnel which was approved and adopted by the Board of Directors.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as "Annexure-A" to this Report.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments affecting the financial position of the Company, subsequent to close of Financial Year 2023-24 till the date of this Report.

### **ANNUAL RETURN:-**

The Annual Return of the Company as on March 31, 2024 is available on the Company's website and can be accessed at <https://latteysindustries.com>

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans and guarantees given and investments made during the Financial Year 2023-24, under the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the notes to Financial Statements, which forms an integral part of this Report.

### **RELATED PARTY TRANSACTION**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed.



## **VIGIL MECHANISM**

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct.

It provides direct access to the employees of the Company to approach the Compliance Officer or the Chairman of the Audit Committee, where necessary. The Company ensures that genuine whistle blowers are accorded complete protection from any kind of unfair treatment or victimization.

The said policy is also available on the website of the Company at [www.latteysindustries.com](http://www.latteysindustries.com) under the head investor section.

## **AUDITORS**

### **I. Statutory Auditor**

Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Audit Committee, M/s Piyush J Shah & Co, Chartered Accountants (Firm Registration no.121172W, were appointed as Statutory Auditors at the 11th Annual General Meeting to hold the office for a first term of five (05) consecutive years, from the conclusion of 11th Annual General Meeting till the conclusion of 16th Annual General Meeting of the Company.

### **STATUTORY AUDITORS' REPORT:**

There are no audit qualifications, reservations or adverse remarks or disclaimers, in the Auditors' Report, as annexed elsewhere in this Annual Report. During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its officer and employees under Section 143(12) of the Companies Act, 2013.

### **II. Secretarial Auditor**

As required under provisions of Section 204 of the Companies Act, 2013 and Rules framed thereunder, the Board has appointed the Secretarial Auditors of the Company, M/s NAYAN P PITRODA, Practicing Company Secretaries, for conducting the Secretarial Audit for the FY 2023-24.

SECRETARIAL AUDIT: Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s .Nayan P Pitroda, Company Secretaries as Secretarial Auditor for the year ended 31st March, 2024. The Secretarial Auditor has submitted its Report in Form No. MR-3 for the Financial Year ended on 31st March, 2024 and the same as set out in "Annexure 1", forms an integral part of the Directors' Report. There are no qualifications, reservations or adverse remarks or disclaimers made in the Secretarial Audit Report.

Secretarial Audit Report in Form MR-3 issued by the Secretarial Auditor of the Company for the Financial Year ended on March 31, 2024 is attached to the Director's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **III. Internal Auditor**

In accordance with the provisions of Section 138 of the Companies Act, 2013 and Rules framed thereunder, Board has appointed M/s. Bansal Harish & Co, Chartered Accountants, Delhi to conduct the Internal Audit of the Company for the Financial Year 2023-24.

### **IV DISCLOSURE AS TO WHETHER MAINTENANCE OF COST RECORDS**

The Board of Director not appointed Cost Auditor owing to non-applicability to appoint Cost Auditor in your Company specified the Central Government under sub-section (1) of Section 148 of the Companies Act 2013, is required by the Company and accordingly such accounts and records are made and maintain w.e.f. 01<sup>st</sup> April 2022.

### **SEBI COMPLAINTS REDRESS SYSTEM (SCORES):**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2023-24.

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has its internal financial control systems commensurate with the size and complexity of its operations, to ensure proper recording of financials and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records including timely preparation of reliable financial information.

The internal auditor consults and reviews the effectiveness and efficiency of the internal financial control systems and procedure to ensure that all the assets are protected against loss and that the financial and operational information is accurate and complete in all respects. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Company.

## **RISK MANAGEMENT**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

## **FRAUD REPORTING**

There were no frauds disclosed during the Financial Year.

## **CODE OF CONDUCT**

The Board has laid down a specific code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on annual basis.

## **INSIDER TRADING**

The Board has in consultation with the Stakeholder's Relationship Committee laid down the policy to regulate and monitor the Insider Trading in the Company. The Committee regularly analyses the transactions and monitors them to prevent Insider Trading. The Company has also adopted a Prohibition of Insider Trading Policy.

During the year under review, in compliance with the amendments to the SEBI Insider Regulations, the Company adopted the following effective 1 April 2019:

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.  
Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives

The Policy was approved by the Board and same was uploaded on the Company's website [www.latteysindustries.com](http://www.latteysindustries.com) under the tab investors.

## **MEANS OF COMMUNICATION**

The Board believes that effective communication of information is an essential component of Corporate Governance. The Company regularly interacts with its shareholders through multiple

channels of communication such as Company's Website and stipulated communications to Stock Exchange where the Company's shares are listed for announcement of Financial Results, Annual Report, Notices, Outcome of Meetings, and Company's Policies etc.

### **HUMAN RESOURCES**

Your Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on ongoing basis. Numbers of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### **WEBSITE**

The Company has a website addressed as <https://www.latteysindustries.com> contains the basic information about the Company - details of its Business, Financial Information, Shareholding Pattern, Contact Information of the Designated Official of the Company who is responsible for assisting and handling investors grievances and such other details as may be required under sub regulation (2) of Regulation 46 of the Listing Regulations, 2015. The Company ensures that the contents of this website are periodically updated.

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on Directors' appointment including criteria for determining qualifications, positive attributes and independence of a Director as well as policy relating to Remuneration of Key Managerial Personnel and other employees and other matters as provided in Section 178(3) of the Act, is uploaded on the website and can be accessed through following link :

<https://www.latteysindustries.com/files/Terms%20and%20Conditon%20of%20Independent%20Directors.pdf>

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In accordance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder, the Company has formed an Internal Complaints Committee and also framed and adopted the policy for Prevention of Sexual Harassment at Workplace.

The following is the summary of Sexual Harassment complaints received and disposed of during the year 2023-24.

No. of Complaints Received: NIL

No. of Complaints Disposed of: NIL

## **OTHER DISCLOSURES**

There were no significant and material orders passed by Regulators / Courts / Tribunals that would impact the going concern status of the Company and its future operations.

## **SECRETARIAL STANDARDS :**

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

## **CAUTIONARY STATEMENT:-**

Statements in the Boards' Report and the Management Discussion and Analysis describing the Company's objectives, explanations and predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include: global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their cost, changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company

## **ACKNOWLEDGEMENT**

Your Directors wish to express their gratitude to the Bankers, Financial Institutions, Government Authorities, Customers, Vendors, Consultants, Advisors and Members for their direct and indirect co-operation and look forward to their continued support in the future.

Your Directors acknowledge the support and co-operation received from employees and all those who have helped in day to day management of the Company.

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 02<sup>nd</sup> SEPTEMBER 2024**

**Sd/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**

ANNEXURE TO DIRECTOR'S REPORT  
ANNEXURE INDEX

<b>ANNEXURE</b>	<b>CONTENT</b>
A	Form AOC 1
B	Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo
C	Details for Remuneration paid to Employees
D	AOC-2-Related Party Transaction
E	Management Discussion & Analysis Report
F	Corporate Governance Report
G	Secretarial Audit Report MR-3

## ANNEXURE "A" TO DIRECTOR REPORT

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

Statement containing salient features of the financial statement of subsidiaries/associate companies /joint ventures

**Part "A": Subsidiary Companies: Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to**

Name of the Subsidiary Company : Latteys Electrical Private Limited

Name of the Subsidiary Company		Latteys Electrical Private Limited
1.	Date of the Latest Audited Balance Sheet	31.03.2024
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No	5100
	Amount of Investment in Subsidiary Company	51,000/-
	Extent of Holding %	51%
3.	Description of how there is significant Influence	Holding more than 51% of total share capital
4.	Reason why the Subsidiary is not consolidated	Not Applicable
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	-
6.	Profit/Loss for the year	-
	i. Considered in Consolidation	-
	ii. Not Considered in Consolidation	-

**Part “B”: Associates and Joint Ventures :** The Company does not have any Associate and Joint Ventures

1. Names of subsidiary, associates or joint ventures which are yet to commence operations: NIL
2. Names of subsidiary, associates or joint ventures which have been liquidated or sold during the year: NIL

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 02<sup>nd</sup> SEPTEMBER 2024**

**Sd/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**



## ANNEXURE "B" TO DIRECTOR REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [Section 134 (3) (M) of The Companies Act, 2013 read with Rule 8(3) Of the Companies Accounts) Rules, 2014]

S. No.	Particulars	
<b>Conservation of Energy:-</b>		
1	The steps taken or impact on conservation of energy;	<p>Being an energy efficient product manufacturer we make energy efficient stainless steel pumps and motors. We offer energy efficient pumping systems for agriculture and offers energy savings over 40% compared to conventional pumping system.</p> <p>Our all the newly developed product is having utmost care in terms of energy efficiency, every single watt of energy we save at the product end, it helps to create big difference at the power generation end.</p>
2	The steps taken by the Company for utilizing alternate sources of energy;	The company is constantly adopting solar as alternative source of energy and promoting solar pumps across globe and company made solar business as key focus area of business. This solar power could transform our agricultural landscape and improve quality of life in rural and urban India ensuring energy security to the poor and marginalizes. This would immensely help climate change mitigation efforts by in line with global
3	The capital investment on energy conservation equipment	We have already installed Solar Power plant and invested heavily on other renewable energy applications and equipments and the total investments could approx. 18 Lacs.
<b>Technology absorption:-</b>		

No new technology is absorbed by the company as company is equipped in well manner with all the required technologies and machineries that it requires in order to have smooth functioning of business operations.

**Foreign exchange earnings and Outgo:-**

(i)	The Foreign Exchange earned in terms of actual inflows during the year;	RS. 70437219.05
(ii)	The Foreign Exchange outgo during the year in terms of actual Outflows.	Rs. 12991733.32

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 2<sup>nd</sup> SEPTEMBER 2024**

**Sd/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**

## ANNEXURE “C” TO DIRECTOR REPORT

### Disclosure as per Section 197(12) of Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ending March 31, 2024 and
- b) The Percentage Increase in Remuneration of Each Director, Chief Financial Officer and Company Secretary during the Financial Year ending on March 31, 2024

**The ratio of the remuneration of each director to the median employee’s remuneration for the financial year 2023-24.**

Name	Designation	Ratio
KAPOOR CHAND GARG	Managing Director	8 Times
PAWAN GARG	Whole – Time Director	8 Times

**The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24 compared to 2022- 23.**

Name	Designation	% increase in remuneration
KAPOOR CHAND GARG	Managing Director	NA
PAWAN GARG	Whole-Time Director	NA
SONIKA JAIN	Company Secretary	15%
SUMIT GOEL	Chief Financial Officer	NA

<b>the number of permanent employees on the rolls of company</b>	132
--	-----

<b>the explanation on the relationship between average increase in remuneration and company performance</b>	The increase in remuneration is linked to the performance of the company as a whole, the performance of the employee and other internal and external factors
---	--

<p><b>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.</b></p>	<p>10%</p>
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<p><b>Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year</b></p>	<p>Not Applicable</p>
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<p><b>Affirmation that the remuneration is as per the remuneration policy of the Company</b></p>	<p>We affirm that remuneration is as per the remuneration policy of the company.</p>
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**FOR AND ON BEHALF OF THE BOARD**

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 2<sup>nd</sup> SEPTEMBER 2024**

**SD/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**



## ANNEXURE "D" TO DIRECTOR REPORT

### FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Form for Disclosure of particular of Contract / arrangement entered into by Company with related party's referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under the proviso thereto:

**1. Details of Contact or arrangement or transaction not at Arm's Length Basis: NIL**

**2. Details of Contract or arrangement or transaction at Arm's Length Basis:**

**All Contract/Arrangement entered into by the company with Related Parties referred to in sub Section (1) of Section 188 of the Companies Act, 2013 are at Arm's Length Basis:**

Name of the Related Party	Nature of Relationship	Nature of Contract/Agreement/Transaction	Salient terms & conditions, if any,	Date of Approval by the Board, if any	Amount paid as advance, if any	Amount of Transaction
Mr. Kapoor Chand Garg	Managing Director (Lattays Industries Limited)	Remuneration		30/09/2021		19.20 Lakhs
Mr. Pawan Garg	Whole-Time Director (Lattays Industries Limited)	Remuneration		30/09/2021		19.20 Lakhs
Mr. Kapoor Chand Garg	Managing Director (Lattays Industries Limited)	Rent				18.00 Lakhs
Mr. Pawan Garg	Whole-Time Director (Lattays Industries Limited)	Rent				2.22 Lakhs
Seema Aggrawal	Related Party of KMP	Commission on Sales				6.67 Lakhs
Harish Aggrawal	Related Party of KMP	Commission on Sales				6.67 Lakhs

**FOR AND ON BEHALF OF THE BOARD**

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 02<sup>nd</sup> SEPTEMBER 2024**

**Sd/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**

## ANNEXURE “E” TO DIRECTOR REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**Forward Looking Statement** - In this, Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company’s objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that, these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company’s operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Listed Companies are required to furnish Management Discussion and Analysis Report (MDAR) as a part of Director’s Report to the Shareholders.

As per Schedule V of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015, Annual Report shall contain the below points in the Management Discussion and Analysis Report (MDAR):

- Industry Structure and developments.
- Opportunities
- Risk and Concern.
- Internal Control System and their adequacy.
- Discussion on Financial performance with respect to operational performance.
- Material developments in Human Resources/ Industrial Relations front, including number of people employed.

#### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The global pumps market size was estimated at USD 57.7 billion in 2023 and it is anticipated to grow at a compound annual growth rate (CAGR) of 4.2% from 2024 to 2030. Pumps are used for two purposes, either to increase the pressure of fluid or to transfer the fluid at a higher discharge rate. In industries such as oil & gas exploration and



chemical manufacturing, the pumps are used to increase the pressure of fluids and accurately dose the reagents and reactants during the synthesis of chemicals. With the flourishing oil & gas exploration industry, market for pumps is expected to increase in the coming years.

These products are widely utilized in several applications, including water supply, fire protection systems, sewage disposal, food and beverage industries, and chemical industries, due to their low maintenance. The growth of the global centrifugal pumps market is being driven by the rapid construction of residential and commercial infrastructure and the expansion of the manufacturing sector. The growth is attributed to the increased infrastructure investment, which has resulted in fast urbanization. The wastewater treatment sector's demand for these products is expected to drive the industry over the coming years. The positive displacement pumps are expected to expand at the fastest CAGR of 5.4% over the forecast period. Positive displacement pumps are expected to witness significant growth over the forecast period, as reciprocating pumps gain popularity due to their higher efficiency than centrifugal pumps and their application in precision dosing and high-pressure output applications.

## **2. OPPORTUNITIES & THREATS OPPORTUNITIES**

Agriculture and Building Services comprise 46% of the market by value of Rs. 3910 Cr. This segment of the Indian pump market is highly fragmented as well as competitive with a large number of small and medium enterprises (SMEs) competing to increase their market share. The biggest markets for agricultural pump sets are the central Indian states of Madhya Pradesh, Maharashtra, Tamil Nadu, Karnataka and Andhra Pradesh.

### **2.1 THREATS**

Markets across the Board are seeing aggressive competition. Both domestic and global capacities out last the demand for various products and commodities. Many sectors especially in domestic market are seeing increased competition. Your Company is prudently trying to deal with this. Inward looking policies of Countries would be a threat to global market.

## **3. INTERNAL CONTROL SYSTEM**

The Company has in place an adequate system of internal control commensurate with its size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.



#### 4. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

- During the Financial Year ended March 31, 2024, the Company's total Revenue from operations was Rs. **6364.61** Lakhs /- as against Rs.. **5293.67 Lakhs/-** in the corresponding previous Financial Year ended March 31, 2023.
- The Profit after tax (PAT) for the Financial Year ended March 31, 2024 is **149.55/-** Lakhs as against Profit of Rs. **132.84/-** Lakhs in the corresponding previous Financial Year ended March 31, 2023.

The financial performance of the company is as follows:

Particulars	FY 2023-24	FY 2022-23
Turnover	6364.61	5247.94
Other Income	31.00	117.66
<b>Total Income</b>	<b>6395.61</b>	<b>5365.60</b>
Finance Cost	166.21	121.12
Depreciation and amortization expenses	143.85	105.95
<b>Profit Before Tax</b>	<b>203.02</b>	<b>182.17</b>
Tax Expenses:		
Current Tax	62.07	57.00
Deferred Tax	-8.61	8.32
<b>Profit after Tax</b>	<b>149.55</b>	<b>130.84</b>

#### DETAILS OF KEY FINANCIAL RATIO

Particulars	Numerator/Denominator	For the Year 2023-24	For the Year 2022-23
a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current liabilities}}$	1.35	1.43
b) Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$	0.90	0.73
c) Debt-Service Coverage Ratio	$\frac{\text{Earning before Interest and Tax}}{\text{Interest Expense + Principal Repayments made during the Year for Long Term Loans}}$	1.73	1.28

d) Return on Equity Ratio	$\frac{\text{Profit after tax (Attributable to Owners)}}{\text{Average Net Worth}}$	8.00%	8.00%
e) Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories}}$	1.17	0.79
f) Trade Receivable Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Average Trade Receivable}}$	4.33	5.13
g) Trade Payable Turnover Ratio	$\frac{\text{Cost of Materials Consumed}}{\text{Average Trade Payable}}$	4.20	2.85
h) Net Capital Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	6.35	4.84
i) Net Profit Ratio	$\frac{\text{Profit After Tax (after exceptional items)}}{\text{Total Turnover}}$	2.00%	3.00%
j) Return on Capital Employed	$\frac{\text{Net Profit After Tax + Deferred Tax} + \text{Finance Cost (-) Other Income}}{\text{Average Capital Employed}}$	9.00%	6.00%

**5. Material developments in Human Resources/ Industrial Relations front, including number of people employed**

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. The Company aims to develop the potential of every individual associated with the Company as a part of its business goals. The Company focuses on providing individual development and growth in a work culture that ensures high performance and remains empowering. The Company has employed 210 people (including contractual) strong and dedicated workforce travel abreast of the latest trends.

**FOR AND ON BEHALF OF THE BOARD**

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 02<sup>nd</sup> SEPTEMBER 2024**

**SD/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**

# Report On Corporate Governance Report

## 1. Company's Philosophy on Code of Corporate Governance

Your Company believes that the Corporate Governance is integral to all the functions and divisions of the organization for creating value for all the stakeholders. In this competitive business environment, both the management and employees vigorously uphold the values of integrity, transparency, responsibility and accountability.

The Company believes that Corporate Governance is about best practices of business to be imbibed in to the culture of the organization and complying with value systems, ethical business practices, laws and regulations to achieve the main objectives of the Company.

The Company is committed to optimizing long term value for its stakeholders with a strong emphasis on the transparency of its operations and instilling pride of association. The Company follows the best practices of Corporate Governance and reporting systems in accordance with SEBI (LODR) Regulations, 2015.

## 2. Board of Directors

### Definition of Independent Directors:

The Companies Act, 2013 and the Listing Regulations define an "Independent Director" as a person who is not a promoter, or employee or one of the KMP of the company or its subsidiaries. The law also states that the person should not have a material pecuniary relationship or transactions with the company or its subsidiaries, apart from receiving remuneration as an Independent Director. We abide these definitions of Independent Director.

### Composition of the Board of Directors

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board of the Company is composed of individuals from diverse fields. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure. Every member of the Board, including the Non-Executive Directors, has full access to any information related to the Company.

As on March 31, 2024, we had Two Executive Directors and Four Non-Executive Directors who are Independent Directors and free from any business or other relationship that could

materially influence their judgment. Details of Directors as on March 31, 2024 and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2024 are given below:

Particulars	Attendance Particulars				Other Committee Membership	
	Directors	Category	Board Meeting	Last AGM	Other Directorship	Member
Kapoor Chand Garg	MD	7	Present	0	None	None
Pawan Garg	Whole Time Director	7	Present	2	None	None
Saroj Garg	Woman Non In Dir	7	Present	1	Member	None
Ashish Kumar Gupta	ID	7	Present	2	None	Chairmen
Piyush Poddar	ID	6	Present	0	None	None
Sachin Gupta	ID	6	Present	1	Member	None

CM-Chairman, MD- Managing Director, ED- Executive Director, ID-Independent Director and WID- Woman Independent Director

### BOARD MEETINGS

The gap between two Board meetings did not exceed 120 days. The schedule of Board/Committee meetings are communicated in advance to the directors/committee members to enable them to plan their schedules and to ensure their meaningful participation in the meetings. The Board met Seven times in financial year details of which are summarized as below:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	21.04.2023	6	6
2	30.05.2023	6	6
3	14.08.2023	6	6
4	02.09.2023	6	5
5	11.11.2023	6	6
6	02.01.2024	6	5
7	12.02.2024	6	6

### 3. AUDIT COMMITTEE

The role of the Audit Committee is in accordance with the provisions of the Listing Agreement and Section 177 of the Companies Act, 2013 which shall include the following:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (C) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 6) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- 7) Approval or any subsequent modification of transactions of the company with related parties.
- 8) Evaluation of internal financial controls and risk management systems.
- 9) Reviewing the adequacy of internal audit function.
- 10) Discussion with internal auditors any significant findings and follow up there on

- 11) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Statutory Auditors are the invitees to the Audit Committee meetings. During the period under review, the Audit Committee met Five times viz 30.05.2023, 14.08.2023, 01.09.2023, 11.11.2023 and 12.02.2024 and was attended by all members. The gap between two consecutive meetings did not exceed 120 days.

The Composition of the Audit Committee and details of participation of the members during the financial year ended March 31, 2024 were as under.

Name	Designation	No of meetings attended
Ashish Kumar Gupta	Chairman	5
Saroj Garg	Member	5
Sachin Gupta	Member	5

The Compliance Officer acts as Secretary to the Committee.

#### **4. NOMINATION AND REMUNERATION COMMITTEE**

It is mandatory for all listed companies to constitute a Nomination & Remuneration Committee (N&RC) to take care of the nomination of Directors, KMP, etc. and remuneration related matters of the Directors, KMPs and Employees, etc.

The Terms of reference of the Nomination & Remuneration Committee include followings:

- 1) To identify persons who may be appointed in senior management and carry out evaluation of every Director's performance.
- 2) The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 3) Regularly review the Human Resource function of the Company
- 4) Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- 5) Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

Committee met One times during F.Y. 2023-24 viz. 09.01.2024. The Composition of the Nomination & Remuneration Committee and details of participation of the Members at the Meetings of the Committee are as under:

Name	Designation	No of meetings attended
Ashish Kumar Gupta	Chairman	1
Saroj Garg	Member	1
Sachin Gupta	Member	1

The Compliance Officer acts as Secretary to the Committee.

## 5. STAKEHOLDER RELATIONSHIP COMMITTEE

The terms of reference of the Committee include reviewing and redressing complaints from shareholders such as non-receipt of annual report, transfer of shares, issue of duplicate share certificates, etc.; to oversee and review all matters connected with transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of securities; to oversee the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services; and to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as amended from time to time.

Committee met one times during F.Y. 2023-24 viz. 15.03.2024. The Composition of the Stakeholders Relationship Committee and details of Members participation at the Meetings of the Committee are as under:

Name	Designation	No of meetings attended
Ashish Kumar Gupta	Chairman	1
Saroj Garg	Member	1
Sachin Gupta	Member	1

The Compliance Officer acts as Secretary to the Committee.

In addition, Details of Shareholders' Complaints received during the year are as follows:

Particulars	No. of Complaints
Investor complaints pending as at April 1, 2023	0
Investor complaints received during the year ended on March 31, 2024	0
Investor complaints resolved during the year ended March 31, 2024	0
Investor complaints pending as on March 31, 2024	0



## 6. SPECIAL RESOLUTIONS PASSED AT THE LAST 3 AGMS

Year	Venue Of AGM	Day, Date & Time	Number of special Resolution passed
2020-21	Through OAVM	30 <sup>th</sup> Sept 2021	0
2021-22	Through OAVM	20 <sup>th</sup> Sept 2022	0
2022-23	Through OAVM	30 <sup>th</sup> Sept 2023	1

## 7. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length pricing basis. No transaction with any related party was in conflict with the interests of the Company. All related party transactions are placed on quarterly basis before the Audit Committee and also before the Board for approval. Register under Section 188 of the Companies Act, 2013 is maintained and particulars of transactions are entered in the Register, wherever applicable.

## 8. MEANS OF COMMUNICATION

Quarterly and Annual Financial Results of the Company are submitted to the Stock Exchanges immediately after the Board approves them via BSE Online Portal- BSE Corporate Compliance & Listing Centre. Disclosures pursuant to various clauses of the Listing Agreement are promptly communicated to the Stock Exchanges. No formal presentation was made to the institutional investors or to the analysts during the year under review.

Management Discussion and Analysis forms Part of the Annual Report, which is sent to the Shareholders of the Company.

## 9. GENERAL SHAREHOLDER INFORMATION

- **Registered Office**

Latteys Industries Limited, Plot No 16, Phase ½, Naroda GIDC, Ahmedabad-382330 Gujarat

- **Exclusive e-mail id for investor grievances**

The following E-mail id has been exclusively designated for communicating Investor Grievances:

[cs@latteysindustries.com](mailto:cs@latteysindustries.com)

Person in charge of the Department is Mrs. Sonika Jain

- **Annual General Meeting**

The 11<sup>th</sup> Annual General Meeting will be held on 30<sup>th</sup> day, September 2024 at 1:30 P.M. Through Video/Audio Means.

- **Financial Calendar**

Financial Reporting for the Quarter ended on 30 <sup>th</sup> June, 2023	Before 14 <sup>th</sup> August, 2023
Financial Reporting for the Quarter ended on 30 <sup>th</sup> September, 2023	Before 14 <sup>th</sup> November, 2023
Financial Reporting for the Quarter ended on 31 <sup>st</sup> December, 2023	Before 14 <sup>th</sup> February, 2024
Financial Reporting for the Quarter ended on 31 <sup>st</sup> March, 2024	Before 30 <sup>th</sup> May, 2024

- **Book Closure**

The Register of Members and the Share Transfer Register were closed from 20<sup>st</sup> September, 2024 to 30<sup>th</sup> September, 2024.

- **Listing Fees**

The equity shares of the Company are listed at Bombay Stock Exchange Limited (BSE) Annual Listing fees for the year 2024-25 have been paid to Bombay Stock Exchange. The Company has also paid the Annual Custodial fees to both the depositories.

- **Stock Codes**

The stock code of the Company at NSE is **LATTEYS**.

- **International Securities Identification Number (ISIN)**

ISIN is a unique identification number allotted to dematerialized scrip. The ISIN has to be quoted in each transaction relating to dematerialized shares of the Company. The ISIN of the equity shares of the Company is **INE262Z01023**.

- **Corporate Identity Number (CIN)**

CIN of the Company, allotted by the Ministry of Corporate Affairs, Government of India: **L29120GJ2013PLC074281**

- **High/Low of monthly Market Price of the Company's Equity Shares**

The monthly movement of Equity Share prices on NSE during the year is summarized below:

<b>Particulars</b>	<b>High (in Rs.)</b>	<b>Low (in Rs.)</b>
April, 2023	26.75	22.60
May, 2023	51.90	22.80
June, 2023	47.80	34.25
July, 2023	35.95	31.05
August, 2023	42.00	32.90
September, 2023	45.50	39.70
October, 2023	43.05	34.65
November, 2023	37.85	33.25
December, 2023	36.75	29.20
January, 2024	39.30	21.35
February, 2024	22.55	17.75
March, 2024	19.50	19.35

- **Share Transfer System**

Company's shares in dematerialized form are transferable through depositories. The Committee meets at a regular interval to consider and approve the transfer, transmission, issuance of duplicate/ consolidated/ sub-divided share certificates and requests for dematerialization/ rematerialisation of Company's shares.

In terms of Regulation 7(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, every six months, Company Secretary undertakes audit of the share transfer related activities and issues a compliance certificate, which is submitted to the Stock Exchange.

- **Distribution of Shareholding (As on March 31, 2024)**

On the basis of category

<b>Category</b>	<b>No of shares held</b>	<b>% of total shares held</b>
Promoter & Promoter Group	4,14,45,825	72.08
Mutual Fund, Trust & UTI	0	0
Bank, Financial Institutions (FI's),	0	0
Insurance Companies	0	0
Foreign Institutional Investors (FII's)	0	0

Private Bodies Corporate	440999	0.77
Resident Individual	14818940	25.78
Clearing Member	30000	0.05
HUF	444220	0.77
Others (Non-Resident Indians)	315841	0.55
<b>Total</b>	<b>57495825</b>	<b>100.00</b>

- **Code Of Conduct for Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2014 and Companies Act, 2013 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

- **Reconciliation of Share Capital Audit Report**

Pursuant to the provisions of the SEBI (Depositories & Participants) Regulations, 1996, quarterly audit is being undertaken by a Practicing Chartered Accountant for Reconciliation of Share Capital of the Company. The audit report inter alia covers and certifies that the total shares held in NSDL, CDSL and those in physical form tally with the issued and paid-up capital of the Company, the Register of Members is duly updated, Demat requests are confirmed within stipulated time etc.

- **Outstanding GDRs/ADRs/Warrants or any convertible instrument as on 31<sup>st</sup> March-24**

There were no outstanding GDRs/ADRs/Warrants or any convertible instrument as at end March-2024.

- **Compliance by the Company:** The Company has complied with all the mandatory requirements of the Listing Agreement with the National Stock Exchange of India Limited, regulations and guidelines of SEBI (LODR), Regulation 2015.

- **Factory/Plant Locations**

Plot No 16, Phase ½, Naroda GIDC, Ahmedabad-382330

- **Address for Correspondence**

All enquiries, clarification and correspondence should be addressed to the compliance officer at the following Addresses.

**Registered office**

**Latteys Industries Limited**

Address: Plot No 16, Phase ½, Naroda GIDC,  
Ahmedabad

E-mail: cs@latteysindustries.com

Website: www.latteysindustries.com

**Registrar & Share Transfer Agents**

**ACCURATE SECURITIES & REGISTRY PRIVATE LIMITED,.**

Address: 203, SHANGRILA ARCADE, ABOVE  
SAMSUNG ROOM,, NR. SHYAMAL CROSS  
ROAD, SATELITE, AHMEDABAD - 380015

E-mail: ankur.s@accuratesecurities.com

Website: www.beta.accurateai.in

## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined compliance by M/s Latteys Industries Limited (the Company) with the requirements under Clause 52 of the Listing Agreement and Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable from time to time, entered into by the Company with the Bombay Stock Exchange for the year ended on March 31, 2024.

In our opinion and to the best of our information and according to the explanations given to us and the representation by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 52 of the Listing Agreement and Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable from time to time.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the corporate governance report of the Company.

We state that no investor's grievance is pending unresolved by the Company for a period exceeding one month against the Company as per the records maintained by the stakeholder relationship committee.

We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place: Ahmedabad**

**Date: 27.05.2024**

**For, Piyush J. Shah & Co.**

**Chartered Accountants**

**FRN: 121172W**

**Sd/-**

**Arvind S. Vijayvargiya**

**Partner**

**M. No. 165063**

## CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

We, Mr. Kapoor Chand Garg, Managing Director (CEO) and Mr. Sumit Goel, CFO do hereby certify to the Board that:

a) We have reviewed the Balance Sheet as at March 31, 2024, the Profit and Loss Accountant and the Cash Flow Statement for the year ended on that date and that to the best of our knowledge and belief:

i. The said statements do not contain any false, misleading or materially untrue statements or figures or omit any material fact, which may make the statements or figures contained therein misleading;

ii. The said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

i. Significant changes in internal control over financial reporting during the year, if any;

ii. Significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and

iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**FOR AND ON BEHALF OF THE BOARD**

**FOR LATTEYS INDUSTRIES LIMITED**

**PLACE: AHMEDABAD  
DATE: 02<sup>nd</sup> SEPTEMBER 2024**

**Sd/-  
KAPOOR CHAND GARG  
MANAGING DIRECTOR  
DIN: 00434621**



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2024**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of**  
**the Companies (Appointment and Remuneration Personnel) Rules,**  
**2014]**

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To,  
The Members,  
**LATTEYS INDUSTRIES LIMITED**  
**[CIN L29120GJ2013PLC074281]**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LATTEYS INDUSTRIES LIMITED [CIN L29120GJ2013PLC074281]** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2024** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2024** according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ***(not applicable to the company during the audit period);***
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ***(not applicable to the company during the audit period);***
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ***(not applicable to the company during the audit period);***
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ***(not applicable to the company during the audit period);***
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ***(not applicable to the company during the audit period);***

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **except the Company didn't upload the Disclosure Regarding the Related Party for September, 2023 Half Year on the date on which the Financial Results were approved**

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Board take decision by majority of directors while the dissenting directors' views are captured and recorded as part of the minutes.

**I further report that:**

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable Laws, Rules, Regulations and guidelines.

**I further report that** during the audit period, except for the below event, there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

- a. The shareholders at their Annual General Meeting held on 30<sup>th</sup> September, 2023, have approved:
  - i. Secured/unsecured loan by the various types of lenders up to an amount of Rs. 75 Crores with an option to convert into Equity shares under Section 62(3) of the Companies Act, 2013 by passing Special Resolution.

**For. Pitroda Nayan & Co.,  
Company Secretaries**

**Sd/-  
Nayan P. Pitroda  
Proprietor  
Mem.No.: 58473  
C.P.No.: 23912  
UDIN.: A058473F000866159  
P/R No.: 5509/2024**

**Date.: 29/07/2024  
Place.: Ahmedabad**

**Note: This report is to be read with my letter of even date which is annexed as Annexure herewith and forms and integral part of this report.**

## **Annexure to Secretarial Audit Report**

To,  
The Members,  
**LATTEYS INDUSTRIES LIMITED**  
**[CIN L29120GJ2013PLC074281]**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For. Pitroda Nayan & Co.,**  
**Company Secretaries**

**Sd/-**  
**Nayan P. Pitroda**  
**Proprietor**  
**Mem.No.: 58473**  
**C.P.No.: 23912**  
**UDIN.: A058473F000866159**  
**P/R No.: 5509/2024**  
**Date.: 29/07/2024**  
**Place.: Ahmedaba**



# STANDALONE FINANCIAL STATEMENTS AND NOTES

**LATTEYS INDUSTRIES LIMITED**

Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad-382330, Gujarat

[www.latteysindustries.com](http://www.latteysindustries.com) | [info@latteysindustries.com](mailto:info@latteysindustries.com)

**Customer care: +91 93279 13432**

**OFFICES: AHMEDABAD | DELHI | JAIPUR  
KANPUR | PATNA | PUNE | INDORE**

## INDEPENDENT AUDITOR'S REPORT

To the Members of LATTEYS INDUSTRIES LTD.

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **LATTEYS INDUSTRIES LTD.** Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act 2013 (herein after referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (herein after referred as "the IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of Standalone Financial Statements in accordance with the Standard on Auditing (herein after referred to as "SAs") specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (herein after referred as "ICAI") together with ethical requirements that are relevant to our audit of Standalone Financial Statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

#### Information other than the Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the relevant laws and regulations.

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

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone 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, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

- A. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Standalone balance sheet, the Standalone Statement of profit and loss including Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over with reference to the Standalone Financial Statements of the Company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Company, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
  - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - III. During the year, there were no amounts which are required to be transferred, to the Investor's Education and Protection Fund by the company.
  - IV. 1). The management has represented that, to the best of its knowledge and belief, no funds (Which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - 2). The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company to or any other person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- 3). Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The company or its holding company has not declared and paid any dividend during the year.
- VI. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- B. As required by the Companies (Auditor's Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**FOR K. N. GUTGUTIA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN 034153E**

**(B. R. GOYAL)**  
**PARTNER**  
**M. NO. 12172**  
**UDIN: 2401272BJZZEB9366**

**DATE: 30.05.2024**  
**PLACE: NEW DELHI**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

(With reference to **Annexure A** Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Opinion**

We have audited the internal financial controls with reference to standalone financial statements of LATTEYS INDUSTRIES LTD ("the Company") as of **31 March 2024** in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at **31 March 2024**, based on the internal financial controls with reference to standalone financial statements criteria established by the. Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, 'to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to standalone financial statements.

### **Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

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

**FOR K. N. GUTGUTIA & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 034153E**

**(B. R. GOYAL)  
PARTNER  
M. NO. 12172  
UDIN: 2401272BJZZEB9366**

**DATE: 30.05.2024  
PLACE: NEW DELHI**

**Annexure B referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

With reference to the **Annexure B** referred to in the Independent Auditor's Report to the members of LATTEYS INDUSTRIES LTD on the standalone financial statements for the year ended 31 March 2024, we report the following:

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) Property, Plant and Equipment have been physically verified by the management at regular interval and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanation given to us by the company and on the basis of our examinations of records of the company, the title deeds of immovable properties included in fixed assets are held in the name of company except a Land situated at Plot number 16 phase ½, GIDC Naroda, which is owned by the Director of the Company and the said property has been taken on lease by the company. However, building constructed on the said plot is owned by the company.
  - (d) According to the information and explanation given to us by the company and on the on the basis of our examination of the records of the company, the Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets or both during the year.
  - (e) According to the information and explanation given to us by the company and on the on the basis of our examination of the records of the company, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management of the company and no material discrepancies were noticed.
  - (b) As disclosed in note no. 6 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores from banks and financial institutions based on the security of current assets. The acknowledged copy of quarterly returns / statements filed by the company with such banks are not made available to us for verification, as management have not obtained the acknowledge copy from concerned banker, so we are not able to comment on whether the quarterly returns or financial statements filed with the such banks are in agreement or not with books of accounts of the Company.

- (iii) According to the information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to the companies, Firms, Limited Liability Partnership Firms or any other parties during the year and in our opinion, hence para (a), (b), (c), (d), (e), and (f) are not applicable.
- (iv) According to information and explanation given to us and on the basis of our examination of the records of the company, the company has neither made any investments nor has it given loans or provided guarantee or security as specified under section 185 of the Companies Act, 2013 (“the act”) and the company has not provided any security as specified under section 186 of the act. Further, in our opinion the company has complied with the provisions of section 186 of the act in relation to the loans given, guarantees provided, and investments made.
- (v) The Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company’s products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion the company is regular in depositing the undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities except some delays in deposit of Provident Fund and Employee State Insurance. There are no arrears of outstanding Statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in Rs)	Amount paid under Protest (₹ in Rs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Income Tax Demand	23,44,550		A Y 2020-21	National e-assessment Centre	Disagree with demand
	Accrued Interest	6,79,905				
The Income Tax Act, 1961	Income Tax Demand	2,81,500		A Y 2018-19	Assessing Officer	Disagree with demand
	Accrued Interest	22,240				

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been used for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended **31 March 2024**.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT- 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and (b) of the order are not applicable.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the group does not have any CIC's.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year. There were no issues, objections or concerns raised by the outgoing auditor.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) The company does not have the net worth of rupees 500 crore or more or turnover of rupees 1000 crore or more or a net profit of rupees 5 crore or more during the immediately preceding financial year and hence provision of section 135 of the act are not applicable to the company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**FOR K. N. GUTGUTIA & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN 034153E**

**(B. R. GOYAL)**  
**PARTNER**  
**M. NO. 12172**  
**UDIN: 2401272BJZZEB9366**

**DATE: 30.05.2024**  
**PLACE: NEW DELHI**

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Balance Sheet as at 31st March, 2024

(Amount in Lakhs)

Particulars	Note	As at 31-Mar-2024	As at 31-Mar-2023	As at 01-Apr-2022
<b>I. ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, Plant & Equipment	2	858.74	641.50	556.00
(b) Right of Use Assets	2	26.79	10.03	22.01
(c) Intangible Assets under Development	2	10.51	7.37	6.87
(d) Financial Assets				
(i) Investments	3	0.51	-	-
(iv) Others	4	42.04	41.73	42.38
(e) Deferred Tax Assets (net)	5	40.82	34.02	23.38
		<b>979.41</b>	<b>734.65</b>	<b>650.64</b>
<b>2. Current assets</b>				
(a) Inventories	6	2,072.55	2,055.00	2,340.00
(b) Financial Assets				
(i) Investments	7	-	42.33	42.33
(ii) Trade Receivables	8	1,661.17	1,276.16	789.45
(iii) Cash and cash equivalents	9	6.69	7.06	20.61
(iv) Loans	10	14.55	15.68	-
(v) Others	11	95.10	1.25	2.97
(c) Other current assets	12	50.65	258.99	329.71
		<b>3,900.71</b>	<b>3,656.47</b>	<b>3,525.07</b>
<b>Total Assets</b>		<b>4,880.12</b>	<b>4,391.12</b>	<b>4,175.71</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity share capital	13	1,149.92	1,149.92	459.97
(b) Other equity	14	694.40	540.58	1,097.70
		<b>1,844.32</b>	<b>1,690.50</b>	<b>1,557.67</b>
<b>2. Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	15	69.33	96.40	136.78
(ii) Lease Liability	16	28.89	11.29	23.39
(iii) Other financial liabilities	17	5.56	5.07	4.62
(b) Provisions	18	33.70	24.48	15.63
		<b>137.48</b>	<b>137.24</b>	<b>180.42</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	19	1,591.14	1,134.66	1,085.69
(ii) Trade payables	20			
i. Dues to micro and small enterprises		296.10	444.93	471.25
ii. Dues to other than micro and small enterprises		743.10	817.00	709.76
(iii) Other financial liabilities	21	124.13	75.53	90.64
(b) Provisions	22	0.58	0.48	0.28
(c) Current Tax Liabilities (Net)	23	22.52	18.29	30.90
(d) Other current liabilities	24	120.75	72.49	49.10
		<b>2,898.32</b>	<b>2,563.38</b>	<b>2,437.62</b>
<b>Total Equity and Liabilities</b>		<b>4,880.12</b>	<b>4,391.12</b>	<b>4,175.71</b>

Summary of significant accounting policies 01  
The accompanying notes are an integral part of the financial statement 2 to 60

In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E

For and on behalf of Board of Directors

Sd/-  
CA B. R. Goyal

Sd/-  
Kapoor Chang Garg

Sd/-  
Pawan Garg

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Balance Sheet as at 31st March, 2024

(Amount in Lakhs)

Particulars	Note	As at 31-Mar-2024	As at 31-Mar-2023	As at 01-Apr-2022
Partner M.No :- 012172 UDIN : 24012172BJZZEB9366		Managing Director DIN: 00434621		Director DIN: 00434836
Place :- Delhi Date :- 30th May, 2024		Sd/- Sumit Goel Chief Financial Officer		Sd/- Sonika Jain Company Secretary

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Profit and Loss for the year ended 31st March, 2024

		(Amount in Lakhs)		
Particulars	Note	Year Ended 31-Mar-24	Year Ended 31-Mar-23	
I.	Revenue from operations	25	6,364.61	5,293.67
II.	Other Income	26	31.00	71.41
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>6,395.61</b>	<b>5,365.08</b>
IV.	Expenses:			
	Cost of Material Consumed	27	4,834.13	3,484.68
	Purchases of stock-in-trade		-	-
	Changes in Inventories	28	(373.81)	529.16
	Employee benefits expenses	29	556.78	450.59
	Finance costs	30	166.21	129.46
	Depreciation and amortization expense	31	143.85	124.24
	Other expenses	32	851.32	464.93
	<b>Total expenses (IV)</b>		<b>6,178.48</b>	<b>5,183.06</b>
<b>V.</b>	<b>Profit before Exceptional, Extraordinary items and Tax (III-IV)</b>		<b>217.13</b>	<b>182.02</b>
VI.	Exceptional items	33	14.11	0.57
<b>VII.</b>	<b>Profit/(Loss) before tax (V - VI)</b>		<b>203.02</b>	<b>181.44</b>
VIII.	<b>Tax expenses</b>	<b>34</b>		
	(1) Current tax		62.07	57.00
	(2) Deferred tax		(8.30)	(10.65)
	(3) Tax adjustment of earlier years		(0.31)	2.25
	(4) MAT Credit utilized/(Receivable)		-	-
<b>IX.</b>	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>149.55</b>	<b>132.84</b>
X.	Profit/(Loss) for the period from discontinued operations		-	-
XI.	Tax expenses of discontinued operations		-	-
XII.	Profit/(Loss) after tax for the period from discontinued operations (X-XI)		-	-
<b>XIII.</b>	<b>Profit/(Loss) for the period</b>		<b>149.55</b>	<b>132.84</b>

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Profit and Loss for the year ended 31st March, 2024

		(Amount in Lakhs)	
Particulars	Note	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>XIV. Other comprehensive income</b>			
A) (i) Items that will not be reclassified to profit or loss		5.76	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.50)	-
B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>XV. Total Comprehensive income for the period</b>		<b>4.27</b>	<b>-</b>
<b>XVI. Total Comprehensive income for the period (XIII+XV) (Comprising Profit/(Loss) and Other comprehensive income for the year)</b>		<b>153.81</b>	<b>132.84</b>
XVII Earnings per equity share (for continuing operations):	35		
(1) Basic		0.26	0.23
(2) Diluted		0.26	0.23
XVIII Earnings per equity share (for discontinued operations):			
(1) Basic		-	-
(2) Diluted		-	-
XIX Earnings per equity share (for discontinued & continuing operations):			
(1) Basic		0.26	0.23
(2) Diluted		0.26	0.23

**Summary of significant accounting policies**

The accompanying notes are an integral part of the financial statements.

01  
2 to 60

In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E  
UDIN : 24012172BJZZEB9366

For and on behalf of Board of Directors

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Place :- Delhi  
Date :- 30th May, 2024

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Cash Flow for the Year ended 31st March, 2024

		(Amount in Lakhs)	
Particulars		For the Year Ended 31-Mar-24	For the Year Ended 31-Mar-23
<b>Cash flow from Operating activities:</b>			
Net profit before tax as per statement of profit and loss		203.02	181.44
<b>Adjusted for:</b>			
Depreciation & amortization		143.85	124.24
Interest & finance costs		166.21	129.46
Interest Income		(0.42)	(1.47)
<b>Operating cash flow before working capital changes</b>		<b>512.66</b>	<b>433.67</b>
<b>Adjusted for:</b>			
(Increase)/ decrease in inventories		(17.55)	285.00
(Increase)/ decrease in trade receivables		(385.01)	(486.70)
(Increase)/ decrease in other current assets		208.35	70.72
Increase/ (decrease) in other financial assets		(94.16)	2.37
Increase/ (decrease) in trade payables		(222.73)	80.91
Increase/ (decrease) in other financial liabilities		49.09	(14.67)
Increase/ (decrease) in other current liabilities		48.26	23.39
Increase/ (decrease) in short term provisions		0.10	0.20
Increase/ (decrease) in long term provisions		14.98	8.86
<b>Cash generated from / (used in) operations</b>		<b>114.00</b>	<b>403.75</b>
Income taxes paid		(57.55)	(71.85)
<b>Net cash generated from/ (used in) operating activities</b>	<b>[A]</b>	<b>56.45</b>	<b>331.89</b>
<b>Cash flow from Investing activities:</b>			
Purchase of Property, Plant and Equipment		(380.98)	(198.74)
Sale of Property, Plant and Equipment		-	0.48
Interest Received		0.42	1.47
Increase/ decrease in short term loans and advances		1.13	(15.68)
Purchase/Sale of investments		41.82	-
<b>Net cash flow from/(used in) investing activities</b>	<b>[B]</b>	<b>(337.61)</b>	<b>(212.47)</b>

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Cash Flow for the Year ended 31st March, 2024

<b>Cash flow from Financing activities:</b>		
Proceeds from long term borrowing (net)	(27.06)	(40.38)
Proceeds from short term borrowing (net)	456.48	48.97
Interest & finance costs	(166.21)	(129.46)
Increase/(decrease) in Lease Liability	17.59	(12.10)
<b>Net cash flow from/(used in) financing activities</b>	<b>[C] 280.79</b>	<b>(132.97)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents [A+B+C]</b>	<b>(0.37)</b>	<b>(13.55)</b>
Cash & cash equivalents as at beginning of the year	7.06	20.61
<b>Cash &amp; cash equivalents as at end of the year [Refer Note - 9]</b>	<b>6.69</b>	<b>7.06</b>

Particulars	(Amount in Lakhs)	
	For the Year Ended 31-Mar-24	For the Year Ended 31-Mar-23
<b>Cash and Cash equivalent comprises of:</b>		
Cash on hand	2.77	2.88
<b>Bank Balances:</b>		
In current account	3.92	4.18
<b>Cash &amp; cash equivalents as at end of the year</b>	<b>6.69</b>	<b>7.06</b>

### Notes:

- The above Cash Flow Statement has been prepared under ' the indirect method ' as set out in the Indian Accounting Standards (IND AS-7) Statement of Cashflows.
- Figures in bracket indicates cash outflow.
- Previous year figures have been regrouped/rearranged wherever necessary.

### In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E  
UDIN : 24012172BJZZEB9366

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172  
UDIN : 24012172BJZZEB9366

Place :- Delhi  
Date :- 30th May, 2024

For and on behalf of Board of Directors

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Changes in Equity for the Year ended 31st March, 2024

(Amount in Lakhs)

**A Equity Share Capital:**

Particulars	As at March 31, 2024			As at March 31, 2023		
	Number of Share	Face Value (INR)	Amount in Lakhs	Number of Share	Face Value (INR)	Amount in Lakhs
<b>Balance at the beginning of the year</b>	57,495,825	2.00	1,149.92	4,599,666	10.00	459.97
<b>Changes during the current year</b>						
Add : Bonus Issued during the Year	-	-	-	6,899,499	10.00	689.95
Shares Split during the year	-	-	-	57,495,825	2.00	1,149.92
<b>Balance at the end of the year</b>	57,495,825		1,149.92	57,495,825		1,149.92

**B Other Equity:**

Particulars	Share Application Money Pending Allotment	Reserves & Surplus			Other Comprehensive Income	Money Received Against Share Warrants	Total
		Capital Reserve	Securities Premium	Retained Earnings			
<b>Balance as at April 01, 2022</b>	-	-	642.93	450.27	-	-	1,093.21
Profit/(Loss) for the period	-	-	-	132.84	-	-	132.84
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Issue of Bonus Shares	-	-	(642.93)	(47.02)	-	-	(689.95)
Reclassification of OCI into Retained earning	-	-	-	-	-	-	-
Remeasurement of net defined benefit plan	-	-	-	-	-	-	-
Other Fair Value Adjustments	-	-	-	4.49	-	-	4.49
<b>Balance as at March 31, 2023</b>	-	-	-	<b>540.58</b>	-	-	<b>540.58</b>
<b>Balance as at April 01, 2023</b>	-	-	-	540.58	-	-	540.58
Profit/(Loss) for the period	-	-	-	149.55	-	-	149.55
Other comprehensive income (net of tax)	-	-	-	-	4.27	-	4.27
Issue of Bonus Shares	-	-	-	-	-	-	-
Reclassification of OCI into Retained earning	-	-	-	-	-	-	-
Remeasurement of net defined benefit plan	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	-	-	-	<b>690.13</b>	<b>4.27</b>	-	<b>694.40</b>

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E

For and on behalf of Board of Directors

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172  
UDIN : 24012172BJZZEB9366

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Place :- Delhi  
Date :- 30th May, 2024

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary



# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

### 1. A GENERAL INFORMATION:

Latteys Industries Limited ('LIL' or 'the Company') having CIN: L29120GJ2013PLC074281 is a public limited company, listed on the National Stock Exchange and incorporated under the provisions of the Companies Act, 1956 on April 2nd, 2013 having its registered office at Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330.

The Company is incorporated with an object to carry out the business related to manufacturing and trading of various kinds of submersible pumps, agriculture pumps and equipment, industrial pumps and machinery, water pumps and electric motors.

The Financial Statements of the Company for the year ended as of March 31, 2024 are approved by the board of directors and authorised for issue on the Date :- 30th May, 2024

### 1. B SIGNIFICANT ACCOUNTING POLICIES :

#### **1 Basis of Accounting**

i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except investments which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.

ii) Accounting policies have been consistently applied except where a newly issued IND AS is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

iii) As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.

iv) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

#### **2 Use Of Estimates**

i) The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

#### **3 Property, Plant & Equipments (PPE)**

i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

ii) Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

a) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.

b) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. 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.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

c) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

d) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

e) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

f) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.

### 4 Intangible Assets

i). Intangible assets acquired by payment e.g. Computer Software is disclosed at cost less amortisation on a straight-line basis over its estimated useful life.

ii). Intangible assets are carried at cost, net of accumulated amortisation and impairment loss, if any.

### 5 Capital work in progress

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in- Progress and the same are capitalized under the appropriate heads on completion of the projects, if any.

### 6 Depreciation

Depreciation for the year has been provided on the basis of useful life of assets as prescribed in schedule II to the Companies Act, 2013. The carrying amount has been depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

Depreciation on Intangible assets have been provided following the Accounting Standard - 26 "Intangible Assets" on Straight Line basis.

### 7 Revenue Recognition

Revenue is primarily derived from sale of finished goods to the customers. Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable, if any.

Discount claims, rebates and retirement benefits which cannot be determined with certainty during the year, are recognized on receipt basis.

### 8 Investments

Investments are stated at cost, after providing provision towards diminution, other than temporary if any.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

### 9 Valuation of Inventories

i). The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

ii). Stock of Raw Materials are valued at cost and of those in transit related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

iii). Goods-in-process is valued at lower of cost or net realisable value.

iv). Stock of Finished goods is valued at lower of cost or net realisable value.

v). Inventories are taken as valued and certified by the management of the company.

### 10 Provision for Current Tax and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognised and carried.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

### 11 Foreign Exchange Gain / Loss

Exchange gain / loss is need to recognized due to difference in rate at the time of payment / receipt and occurrence of transaction on payment made in foreign currency or receipt of foreign currency as per Accounting Standard - 11 "The effects of changes in Foreign Exchange Rates".

The quantum of exchange rate difference is worked out, the effect of the same on profit and loss account has been given.

### 12 Borrowing Cost

Borrowing costs include interest, amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets.

Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### 13 Cash Flow Statement

The Company has prepared cash flow statement by following an indirect method as per Accounting standard - 3 issued by ICAI.

Cash flows are reported using the indirect method, whereby 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 of the group are segregated.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

Cash and Cash equivalent mentioned in Balance Sheet and cash flow comprise of Cash on hand, Balance with banks and amount kept as fixed deposit in banks.

### 14 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognized nor disclosed in the financial statements.

### 15 Accounting for Taxes on Income

i). Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

ii). Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

iii). Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any un used tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.

iv). The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

v). Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

### 16 Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such asset is estimated and impairment is recognized. If the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of the net selling price and their value in use. Value in use arrived at by discounting the future cash flows to their present value based on an appropriate discounting factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss except in case of revalued asset.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

### 17 Earning Per Share

i). Basic earnings per share are 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.

ii). 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.

### 18 Segment Reporting

As per the information received from the management the company has only one reportable business and hence segment wise information is not given.

### 19 Government Grants

i). Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii). Grants relating to PPE in the nature of Project Capital Subsidy are credited to that particular PPE.

iii). Others are credited to Statement of Profit and Loss.

### 20 Retirement Benefits

i). Leave Encashment:

Leave Encashment is payable as and when due and to the extent there is contravention of Accounting Standard - 15 "Employee Benefits", which has become mandatory. However, the quantum of leave encashment payable is not worked out and therefore it is not possible to quantify the effect of the same on profit and loss account.

ii). Defined Contribution Plans:

These are plans in which the company pays pre-defined amounts to separate funds and does not have any legal or informal obligations to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payment to the defined contributions plans are reported as expenses during the period in which the employees perform the services that the payment covers.

### 21 Current and Non-Current Classification

i). The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".

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

iii). An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

iv). An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

### 22 Related Party Transactions

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statement
- a) A person or a close member of that person's family is related to reporting entity if that person;
- has control or joint control of the reporting entity;
  - has significant influence over the reporting entity; or
  - is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions apply;
- the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - Both entities are joint ventures of the same third party;
  - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
  - The entity is controlled or jointly controlled by a person identified in (a);
  - A person identified in (a)
  - The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

- c) Disclosure of related party transactions as required by the AS is furnished in the Notes of the Financial Statements.

### 23 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### ***i) Judgements***

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

#### ***a) Determination of Functional Currency***

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (Rs) in which the Company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (Rs)

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Standalone Statement of Accounting Policies and Notes forming Part of Accounts

### ***b) Evaluation of Indicators for Impairment of Property, Plant and Equipment***

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

### ***ii) Assumptions and Estimation Uncertainties***

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

### ***a) Useful lives of Property, Plant and Equipment/Intangible Assets***

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

### ***b) Contingent Liabilities***

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

### ***c) Evaluation of Indicators for Impairment of Property, Plant and Equipment***

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Company.

### ***d) Provisions***

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

## **24 Expenses for CSR**

i) In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the latter on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss.

ii) In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering in to a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

iii) the fair value or cost of the asset can be measured reliably.

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

#### 2. Property, Plant and Equipment (Including Right of Use Assets) & Intangible Assets

(Amount in Lakhs)

Particulars	Property, Plant and Equipment							Intangible Assets		ROU Asset	Gross Total
	Freehold Land	Building	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computers & Laptops	Total	Software	Total	Land/ Building	
<b>Gross Block</b>											
Balance as at April 01, 2022	158.87	231.41	377.35	189.66	56.13	15.03	1,028.45	6.87	6.87	22.01	1,057.33
Additions	-	0.99	148.57	32.65	7.79	1.94	191.94	0.50	0.50	6.30	198.74
Disposals	-	-	-	-	(9.16)	-	(9.16)	-	-	-	(9.16)
<b>Balance as at March 31, 2023</b>	<b>158.87</b>	<b>232.40</b>	<b>525.91</b>	<b>222.30</b>	<b>54.77</b>	<b>16.97</b>	<b>1,211.23</b>	<b>7.37</b>	<b>7.37</b>	<b>28.32</b>	<b>1,246.92</b>
Balance as at April 01, 2023	158.87	232.40	525.91	222.30	54.77	16.97	1,211.23	7.37	7.37	28.32	1,246.92
Additions	136.46	-	137.20	56.88	9.76	1.12	341.41	3.14	3.14	36.44	380.98
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>295.33</b>	<b>232.40</b>	<b>663.11</b>	<b>279.18</b>	<b>64.53</b>	<b>18.09</b>	<b>1,552.64</b>	<b>10.51</b>	<b>10.51</b>	<b>64.76</b>	<b>1,627.90</b>
<b>Accumulated Depreciation &amp; Amortisation</b>											
Balance as at April 01, 2022	-	85.50	236.53	99.22	37.39	13.80	472.45	-	-	-	472.45
Additions	-	14.78	53.96	26.77	8.64	1.80	105.95	-	-	18.29	124.24
Disposals	-	-	-	-	(8.68)	-	(8.68)	-	-	-	(8.68)
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>100.29</b>	<b>290.49</b>	<b>125.99</b>	<b>37.36</b>	<b>15.60</b>	<b>569.73</b>	<b>-</b>	<b>-</b>	<b>18.29</b>	<b>588.02</b>
Balance as at April 01, 2023	-	100.29	290.49	125.99	37.36	15.60	569.73	-	-	18.29	588.02
Additions	-	12.91	69.47	31.75	8.67	1.37	124.17	-	-	19.68	143.85
Disposals	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>113.20</b>	<b>359.96</b>	<b>157.74</b>	<b>46.04</b>	<b>16.96</b>	<b>693.90</b>	<b>-</b>	<b>-</b>	<b>37.97</b>	<b>731.86</b>
<b>Net Block</b>											
Balance as at April 01, 2022	158.87	145.91	140.82	90.43	18.74	1.23	556.00	6.87	6.87	22.01	584.88
Balance as at March 31, 2023	158.87	132.11	235.42	96.31	17.41	1.38	641.50	7.37	7.37	10.03	658.90
<b>Balance as at March 31, 2024</b>	<b>295.33</b>	<b>119.20</b>	<b>303.15</b>	<b>121.44</b>	<b>18.49</b>	<b>1.13</b>	<b>858.74</b>	<b>10.51</b>	<b>10.51</b>	<b>26.79</b>	<b>896.04</b>

**2.1 Depreciation and Amortisation :**

The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss."

**2.2 Impairment of Assets :**

The Company has carried out the exercise of assessment of any indications of impairment to its property, plant and equipment as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no impairment to its property, plant and equipment during the year."

**2.3 Property, plant and equipment pledged as security :**

Refer Note no. 38 for information on property, plant and equipment pledged as security by the company.

**2.4 Contractual obligations :**

Refer Note no. 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment, if any.

**2.5 Title deeds of immovable properties not held in name of the company :**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note no. 2 to the Standalone Statement of Accounting Policies and Notes forming Part of Accounts.

**2.6 Revaluation of Property, Plant and Equipment :**

The Company has not revalued its property, plant and equipment (including Right-of-Use Assets) and intangible assets during the year.

**2.7 Effect of Transition from AS to Ind AS**

The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) and Intangible assets recognised as of April 1, 2022 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date (April 1, 2022) as per Para D7AA of Ind AS 101.



## Latteys Industries Limited

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### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 03 Non-Current Investments:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Investments in Equity Instruments (Unquoted)</b>			
Investment in Shares	0.51	-	-
<b>TOTAL ₹ :</b>	<b>0.51</b>	<b>-</b>	<b>-</b>

#### 3.1 Investments in Equity Instruments

(Amount in Lakhs)

Sr. No.	Name of the Company	Quoted / Unquoted	Classification	As at 31-Mar-24		As at 31-Mar-23	
				Nos.	Amount	Nos.	Amount
1	Latteys Electricals Private Limited (Equity Share of Rs. 10 fully paid up)	Unquoted	Subsidiary	5,100.00	0.51	-	-

- The Company has made an investment of Rs. 51.00 thousands in 5,100 equity shares of Latteys Electricals Private Limited (LEPL). The Company assesses the indicators of impairment of investments as per the requirement of Ind AS 36 at least on an annual basis. The Company has performed a detailed impairment assessment and concluded that there is no impairment of the carrying value of investments.
- The company had valued the shares of Subsidiary at cost price under IND AS 28, without considering the temporary fluctuation.
- The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

#### 04 Other Financial Assets:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured, Considered Good unless otherwise stated</b>			
Security Deposit	31.09	14.26	14.51
Fixed Deposits with Maturity more than 12 months	10.95	27.46	27.87
<b>TOTAL ₹ :</b>	<b>42.04</b>	<b>41.73</b>	<b>42.38</b>

- Security deposit includes Deposit for Gas and/or Power connections, Tender deposits and a Deposits for a premises on rent.

#### 05 Deferred Tax Assets:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Deferred Tax Assets/(Liabilities)</b>			
<b>Deferred Tax Assets</b>			
Property, Plant and Equipment & Intangible Assets	32.86	27.20	18.88
Impairment/Expenses Disallowed Under Income Tax	8.91	6.49	4.14
Difference in carrying value and tax base of financial assets/ liabilities	0.55	0.33	0.36
	42.32	34.02	23.38
<b>Deferred Tax Liabilities</b>			
Defined benefit obligation	1.50	-	-
	1.50	-	-
<b>TOTAL ₹ :</b>	<b>40.82</b>	<b>34.02</b>	<b>23.38</b>

#### 06 Inventories:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Raw Material</b>	1,243.05	1,599.31	1,355.15
<b>Work-In-Progress</b>	278.70	113.37	-
<b>Finished Goods</b>	550.80	342.32	984.84
<b>TOTAL ₹ :</b>	<b>2,072.55</b>	<b>2,055.00</b>	<b>2,340.00</b>

- Inventories as on March 31, 2024 are physically verified and the amount is adjusted for any discrepancies.
- Inventories are hypothecated with the bankers against working capital limits. Refer note No. 19
- Valued at lower of cost and Net Realisable value unless otherwise stated (Refer accounting policies)

#### 07 Investments:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Keyman Insurance Policy	-	42.33	42.33
<b>TOTAL ₹ :</b>	<b>-</b>	<b>42.33</b>	<b>42.33</b>

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### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

**08 Trade Receivables:**

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured</b>			
Considered Good	1,654.14	1,276.16	789.44
Considered doubtful	7.03	-	-
<b>TOTAL ₹ :</b>	<b>1,661.17</b>	<b>1,276.16</b>	<b>789.44</b>

1) Trade Receivable are hypothecated with the bankers against working capital limits. Refer Note. 19

2) **Trade Receivable Ageing Schedule as at 31-Mar-2024**

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Considered as Good		1,464.81	39.63	35.25	114.45	1,654.14
Undisputed Considered as Doubtful	-	-	-	-	7.03	7.03
Disputed Considered as Good	-	-	-	-	-	-
Disputed Considered as Doubtful	-	-	-	-	-	-
<b>Total Due</b>		<b>1,464.81</b>	<b>39.63</b>	<b>35.25</b>	<b>121.48</b>	<b>1,661.17</b>
Undue Considered Good	-	-	-	-	-	-
Undue Considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivable</b>						<b>1,661.17</b>

3) **Trade Receivable Ageing Schedule as at 31-Mar-2023**

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Considered as Good	989.95	88.56	75.35	18.49	103.81	1,276.16
Undisputed Considered as Doubtful	-	-	-	-	-	-
Disputed Considered as Good	-	-	-	-	-	-
Disputed Considered as Doubtful	-	-	-	-	-	-
<b>Total Due</b>	<b>989.95</b>	<b>88.56</b>	<b>75.35</b>	<b>18.49</b>	<b>103.81</b>	<b>1,276.16</b>
Undue Considered Good	-	-	-	-	-	-
Undue Considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivable</b>						<b>1,276.16</b>

4) **Trade Receivable Ageing Schedule as at 01-Apr-2022**

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Considered as Good	554.16	90.73	33.20	54.99	56.36	789.44
Undisputed Considered as Doubtful	-	-	-	-	-	-
Disputed Considered as Good	-	-	-	-	-	-
Disputed Considered as Doubtful	-	-	-	-	-	-
<b>Total Due</b>	<b>554.16</b>	<b>90.73</b>	<b>33.20</b>	<b>54.99</b>	<b>56.36</b>	<b>789.44</b>
Undue Considered Good	-	-	-	-	-	-
Undue Considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivable</b>						<b>789.44</b>

**9 Cash & cash equivalents:**

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Cash in Hand	2.77	2.88	20.609
Balance with Banks			
<i>In Current Accounts</i>	3.92	4.18	0.00
<b>TOTAL ₹ :</b>	<b>6.69</b>	<b>7.06</b>	<b>20.61</b>

1) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

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### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 10 Loans:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured: Considered Good</b>			
Advances given to Staff	14.55	15.68	-
<b>TOTAL ₹ :</b>	<b>14.55</b>	<b>15.68</b>	<b>-</b>

Advance to related parties includes advance given to foreign associated entity.

#### 11 Others Financial Assets

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Security Deposit	94.12	-	-
Rent Receivables	-	-	2.16
Interest Receivables	0.97	1.25	0.81
<b>TOTAL ₹ :</b>	<b>95.09</b>	<b>1.25</b>	<b>2.97</b>

#### 12 Other current assets:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured: Considered Good</b>			
Advance for capital goods	-	111.00	111.00
Advances to Suppliers	43.99	23.28	19.08
Balance with Government authority	-	122.39	195.57
Prepaid Expenses	6.65	2.32	4.07
<b>TOTAL ₹ :</b>	<b>50.65</b>	<b>258.99</b>	<b>329.71</b>

1) GST receivable is considered as per books of accounts and any discrepancies with the government portal are ignored, if any.

#### 13 Equity share capital:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Authorized :</b>			
5,75,00,000, Equity Shares of Rs. 2 each (PY: 57500000, Equity Shares of Rs. 2 each)	1,150.00	1,150.00	500.00
<b>Issued, Subscribed and fully Paid up :</b>			
5,74,95,825, Equity shares of Rs. 2 each (PY: 57495825, Equity Shares of Rs. 2 each)	1,149.92	1,149.92	459.97
<b>TOTAL ₹ :</b>	<b>1,149.92</b>	<b>1,149.92</b>	<b>459.97</b>

##### 13.1 Right, Preferences and restrictions attached to Equity Shares :

The company has only one class of equity shares having a per value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. The final dividend, whenever proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

##### 13.2 Issue of Bonus Shares and Share Split

As on April 01, 2022, the Authorised Share Capital of the company was ₹ 5,00,00,000 (divided into 50,00,000 Equity Shares with of Rs. 10/-each). Paid up & Subscribed Capital of the Company was ₹ 4,59,96,660 (divided into 45,99,666 Equity Shares with of Rs. 10/-each).

The Company has increase Authorised Share Capital from ₹ 5,00,00,000 (divided into 50,00,000 Equity Shares with of Rs. 10/-each) to ₹ 11,50,00,000 (divided into 1,15,00,000 Equity Shares with of Rs. 10/-each) on September 20, 2022 with the approval of Shareholders.

Thereafter, the Company capitalized its profit into Shares and issued Bonus Shares to its shareholders on the basis of 3:2 Ratio (three (3) bonus shares for every two (2) equity shares held) on the entitlement date. The Bonus was subsequently approved by the shareholders via an Annual General Meeting.

On 11.02.2023, the Company has split the face value of equity share from Rs. 10/- to Rs. 2/- per equity share with the approval of shareholders.

After consideration of the split of the face value of Equity Shares, Authorized Share Capital is 11,50,00,000 (divided into 5,75,00,000 equity shares with Rs. 2/- each) and paid-up share capital of the company is 11,49,91,650 (divided into 5,74,95,825 with Rs. 2/- each).

During the FY 2022-23, Company has issued Bonus Shares and also done Sub Division of Shares. Therefore, numbers of Company's Share Capital and Number of Equity Shares has been increased. The calculation of basic and diluted earnings per share is adjusted for all the periods presented.

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 13.3 Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31-Mar-24		As at 31-Mar-23	
	No.	Amount in Lakhs	No.	Amount in Lakhs
Equity Shares at the beginning of the Year	57,495,825	1,149.92	4,599,666	459.97
Add: Shares issued as Bonus during the Year	-	-	6,899,499	689.95
	<b>57,495,825</b>	<b>1,149.92</b>	<b>11,499,165</b>	<b>1,149.92</b>
Shares Split (New Face Value Rs. 2 each)			57,495,825	1,149.92
<b>Equity Shares at the end of the year</b>	<b>57,495,825</b>	<b>1,149.92</b>	<b>57,495,825</b>	<b>1,149.92</b>

#### 13.4 The Details of Shareholders holding more than 5% Shares

Name of Shareholder	As at 31-Mar-24		As at 31-Mar-23	
	No. Of Shares	% Held	No. Of Shares	% Held
1 Mr. Kapoor Chand Garg	36,451,125	63.40%	36,451,125	63.40%
<b>TOTAL</b>	<b>36,451,125</b>	<b>63.40%</b>	<b>36,451,125</b>	<b>63.40%</b>

#### 13.5 Shareholding of Promoters

##### 1) Shares Held by Promoters at end of the year 31-Mar-2024

Sr. No.	Promoter Name	Class of Share	No. of Shares	% of Total Shares	% Change During The Year
1	Kapoor Chand Garg	Equity	36,451,125	63.40%	-
2	Jawala Parsad Garg	Equity	2,231,250	3.88%	-
3	Pawan Garg	Equity	1,570,875	2.73%	-
4	Kapoor Garg HUF	Equity	651,250	1.13%	-
5	Pawan Garg HUF	Equity	218,825	0.38%	-
6	Saroj Garg	Equity	161,250	0.28%	-
7	Anu Garg	Equity	161,250	0.28%	-

##### 2) Shares Held by Promoters at end of the year 31-Mar-2023

Sr. No.	Promoter Name	Class of Share	No. of Shares	% of Total Shares	% Change During The Year
1	Kapoor Chand Garg	Equity	36,451,125	63.40%	-
2	Jawala Parsad Garg	Equity	2,231,250	3.88%	-
3	Pawan Garg	Equity	1,570,875	2.73%	-
4	Kapoor Garg HUF	Equity	651,250	1.13%	-
5	Pawan Garg HUF	Equity	218,825	0.38%	-
6	Saroj Garg	Equity	161,250	0.28%	-
7	Anu Garg	Equity	161,250	0.28%	-

#### 14 Other equity:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Reserves &amp; Surplus</b>			
Securities premium	-	-	642.93
Retained earnings	690.13	540.58	454.77
<b>Other Reserves</b>			
Other comprehensive income	4.27	-	-
<b>TOTAL ₹ :</b>	<b>694.40</b>	<b>540.58</b>	<b>1,097.70</b>

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 14.1 Particulars relating to Other Equity

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Securities premium</b>			
Opening Balance	-	642.93	642.93
Less: Adjustments (Issue of Bonus Shares)	-	(642.93)	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>642.93</b>
<b>Retained Earning</b>			
Opening Balance	540.58	454.77	450.27
Add: Profit for the year	149.55	132.84	-
Less: Adjustments for Bonus Issue	-	(47.02)	-
Less: Adjustments for Fair Value conversion	-	-	4.49
<b>Closing Balance</b>	<b>690.13</b>	<b>540.58</b>	<b>454.77</b>
<b>Other Comprehensive Income</b>			
Opening Balance	-	-	-
Add: Profit for the year	4.27	-	-
Less: Adjustments	-	-	-
<b>Closing Balance</b>	<b>4.27</b>	<b>-</b>	<b>-</b>
<b>TOTAL ₹ :</b>	<b>694.40</b>	<b>540.58</b>	<b>1,097.70</b>

#### 14.2 Nature and purpose of other reserves

- Securities Premium:**  
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.
- Other Comprehensive Income:**  
The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

#### 15 Borrowings:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Secured Borrowing:</b>			
<b>From Banks</b>			
Term Loans	69.33	96.40	136.78
<b>TOTAL ₹ :</b>	<b>69.33</b>	<b>96.40</b>	<b>136.78</b>

#### 15.1 Principal Terms and Conditions of Long Term Borrowings :

- All Bank Term Loans are secured against Equitable mortgage of properties as:-
  - Plot No. 16, Phase 1/2, GIDC Estate, Noroda, Ahmedabad-382330 in the name of Mr. Kapoor Chand Garg
  - Plot No. 625, Phase-4, , GIDC Estate Naroda, Ahmedabad-382330, in the name of Latteys Industries Ltd.

#### 15.2 Secured borrowings and assets pledged as security

- The Company has borrowed funds from Banks and financial institutions. The borrowed funds are utilised for the specific purpose for which it was taken.
- There are no defaults in the repayments of the above borrowings during the year. Also, refer to note 38 for undrawn facilities secured by charges on assets.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The amount payable during the next 12 months, disclosed under the head 'Current Borrowings' (Note No. 19)

#### 16 Lease Liability

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Lease Liability Obligation	28.89	11.29	23.39
<b>TOTAL ₹ :</b>	<b>28.89</b>	<b>11.29</b>	<b>23.39</b>

## Latteys Industries Limited

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### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 17 Other financial liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured</b>			
Security Deposits	5.56	5.07	4.62
<b>TOTAL ₹ :</b>	<b>5.56</b>	<b>5.07</b>	<b>4.62</b>

#### 18 Non-current liabilities - Provision:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Provision for Employee Benefits</b>			
Gratuity	33.70	24.48	15.63
<b>TOTAL ₹ :</b>	<b>33.70</b>	<b>24.48</b>	<b>15.63</b>

1) Refer provision for employee benefits note no. 37

#### 19 Financial liabilities - Borrowings:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Secured : Loans Repayable on Demand</b>			
From Bank	1,525.85	1,078.75	970.95
<b>Current Maturities of Long Term Debts</b>	65.29	55.91	114.74
<b>TOTAL ₹ :</b>	<b>1,591.14</b>	<b>1,134.66</b>	<b>1,085.69</b>

1) \* Cash Credit Limit of Rs. 12 Cr for Working capital needs of the company and Primarily secured against Stock and Debtors, Collateral Properties are

1) Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad-382330 in the name of Mr. Kapoor Chand Garg

2) Plot No. 625, Phase-4, , GIDC Estate Naroda, Ahmedabad-382330, in the name of Latteys Industries Ltd.

#### 20 Financial liabilities - Trade Payables:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Creditors for Goods</b>			
Payable to MSME	296.10	444.93	471.25
Other than MSME	743.10	817.00	709.76
<b>TOTAL ₹ :</b>	<b>1,039.20</b>	<b>1,261.93</b>	<b>1,181.01</b>

1) Outstanding Balances of Trade Payables as on 31st March, 2024 are taken as certified by management. The same is subject to reconciliation and confirmations.

2) Disclosure as required by the Micro, Small And Medium Enterprises Development Act, 2006

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Principal amount due and remaining unpaid	296.10	444.93
b) Interest paid	-	-
c) Interest due	-	-
d) Interest accrued and due	-	-
e) Interest due and remaining unpaid	-	-

3) Trade Payable aging schedule 31-Mar-2024

Particulars	Outstanding For Following Periods From due date of Payment				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
MSME	296.10	-	-	-	296.10
Other	737.67	5.20	-	0.22	743.10
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other	-	-	-	-	-
<b>Subtotal</b>	<b>1,033.77</b>	<b>5.20</b>	<b>-</b>	<b>0.22</b>	<b>1,039.20</b>
MSME undue	-	-	-	-	-
Other undue	-	-	-	-	-

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(Amount in Lakhs)

4) Trade Payable aging schedule 31-Mar-2023

Particulars	Outstanding For Following Periods From due date of Payment				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
MSME	444.93	-	-	-	444.93
Other	810.70	0.72	0.82	4.76	817.00
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other	-	-	-	-	-
<b>Subtotal</b>	<b>1,255.63</b>	<b>0.72</b>	<b>0.82</b>	<b>4.76</b>	<b>1,261.93</b>
MSME undue	-	-	-	-	-
Other undue	-	-	-	-	-

5) Trade Payable aging schedule 01-Apr-2022

Particulars	Outstanding For Following Periods From due date of Payment				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
MSME	471.25	-	-	-	471.25
Other	701.83	7.93	-	-	709.76
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other	-	-	-	-	-
<b>Subtotal</b>	<b>1,173.08</b>	<b>7.93</b>	<b>-</b>	<b>-</b>	<b>1,181.01</b>
MSME undue	-	-	-	-	-
Other undue	-	-	-	-	-

21 Other financial liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Payable to Employees	32.26	34.24	16.93
Payable for Expenses	3.20	3.20	3.20
Sundry Creditors for Expenses	88.58	38.04	69.17
Interest Accrued but Not Due*	0.09	0.06	1.34
<b>TOTAL ₹ :</b>	<b>124.13</b>	<b>75.53</b>	<b>90.65</b>

22 Current Provisions:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Provision for Gratuity	0.58	0.48	0.28
<b>TOTAL ₹ :</b>	<b>0.58</b>	<b>0.48</b>	<b>0.28</b>

1) Refer provision for employee benefits note no. 37

23 Current Tax Liabilities (Net)

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Current Tax Liabilities</b>			
Provision of Income tax (Net of Advance Tax and TDS)	22.52	18.28	30.90
<b>TOTAL ₹ :</b>	<b>22.52</b>	<b>18.28</b>	<b>30.90</b>

24 Other current liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Advance from Customers	92.48	67.95	42.62
Payable to Government	28.27	4.55	6.48
<b>TOTAL ₹ :</b>	<b>120.75</b>	<b>72.49</b>	<b>49.10</b>

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(Amount in Lakhs)

#### 25 Revenue From Operations:

Particulars	For the Year 2023-24	For the Year 2022-23
Revenue from Operations	5,586.98	3,184.57
Export sales	764.91	2,063.37
	<b>6,351.89</b>	<b>5,247.94</b>
<b>Other Operating Incomes</b>	12.72	45.73
<b>TOTAL ₹ :</b>	<b>6,364.61</b>	<b>5,293.67</b>

#### 26 Other Income:

Particulars	For the Year 2023-24	For the Year 2022-23
Foreign Exchange Fluctuation Gain/(Loss)	6.48	45.79
Interest Income	0.42	1.47
Rent Income	24.05	24.00
Miscellaneous Income	0.05	0.14
<b>TOTAL ₹ :</b>	<b>31.00</b>	<b>71.41</b>

#### 27 Cost of Material Consumed

Particulars	For the Year 2023-24	For the Year 2022-23
<b>Inventory at the Start of the Year</b>		
Raw Material	1,599.31	1,355.15
<b>Add: Purchases during the Year</b>	4,477.87	3,728.84
	<b>6,077.18</b>	<b>5,083.99</b>
<b>Less: Inventory at the end of the Year</b>		
Raw Material	(1,243.05)	(1,599.31)
<b>TOTAL ₹ :</b>	<b>4,834.13</b>	<b>3,484.68</b>

#### 28 Changes in Inventories:

Particulars	For the Year 2023-24	For the Year 2022-23
<b>At the beginning of the year:</b>		
Stock of Finished Goods and WIP	455.68	984.84
	<b>455.68</b>	<b>984.84</b>
<b>At the end of the year:</b>		
Stock of Finished Goods and WIP	(829.50)	(455.68)
<b>TOTAL ₹ :</b>	<b>(373.81)</b>	<b>529.16</b>

#### 29 Employee Benefit Expense:

Particulars	For the Year 2023-24	For the Year 2022-23
Bonus Expenses	9.94	6.48
Provident fund/ Employee State Insurance And Labour Welfare Fund	7.33	6.42
Director's Remuneration	38.40	38.40
Gratuity Expense	15.08	10.20
Salary & Wages Expenses	478.98	382.78
Staff Welfare Expenses	7.04	6.31
<b>TOTAL ₹ :</b>	<b>556.78</b>	<b>450.59</b>

#### 30 Finance Cost:

Particulars	For the Year 2023-24	For the Year 2022-23
Interest to Banks	129.96	88.90
Interest on Lease Liability	3.63	1.62
Other Interest Expenses	3.64	6.72
Bank Charges & Processing Charges	28.98	32.22
<b>TOTAL ₹ :</b>	<b>166.21</b>	<b>129.46</b>



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(Amount in Lakhs)

#### 31 Depreciation Expense

Particulars	For the Year 2023-24	For the Year 2022-23
Depreciation on Tangible Assets	124.17	105.95
Amortization on ROU Assets	19.68	18.29
<b>TOTAL ₹ :</b>	<b>143.85</b>	<b>124.24</b>

#### 32 Other Expenses:

Particulars	For the Year 2023-24	For the Year 2022-23
<b>Manufacturing Expenses</b>		
Consumable Stores Expenses	42.34	47.57
Freight Expenses	12.25	13.78
Import Duty Expenses	27.99	8.48
Job Work Expenses	130.88	59.98
Other Manufacturing Expenses	29.44	9.08
Power & Fuel Expenses	57.40	30.83
Rate Difference in Purchase & Sale	(13.72)	(9.84)
Tools & Die Expenses	29.20	28.70
	<b>315.78</b>	<b>188.56</b>
<b>Selling and Distribution Expenses</b>		
Advertisement Expenses	8.52	4.06
Commission & Incentives Expenses	16.78	12.50
Discount and Scheme on Sales	33.57	15.58
Freight Outward Expenses	63.80	70.53
Sale Promotion Expenses	11.33	14.42
	<b>134.00</b>	<b>117.10</b>
<b>Other Expenses</b>		
Conveyance Expenses	13.40	17.02
Insurance Expenses	2.89	1.79
Legal & Professional Expenses	17.59	24.86
Membership Fees, Licence Fees & Subscription Charges	23.96	7.92
Miscellaneous Expenses	4.92	5.59
Office Expenses	8.42	9.61
Postage & Courier Expenses	1.28	1.28
Printing & Stationery Expenses	3.08	2.06
Rates and Taxes Expenses	12.18	2.48
Rent Expenses	11.83	13.53
Repair & Maintenance	240.28	37.72
Sundry Balances Written Off	1.28	0.11
Telephone Expenses	1.03	0.77
Tender related Expenses	5.53	0.51
Travelling Expenses	52.50	33.33
Water Expenses	1.36	0.72
	<b>401.54</b>	<b>159.28</b>
<b>TOTAL ₹ :</b>	<b>851.32</b>	<b>464.93</b>

#### 32.1 Payment to Auditor :-

Particulars	For the Year 2023-24	For the Year 2022-23
For Statutory Audit	2.00	2.00
For Tax Audit	0.80	0.80
For Internal Audit	0.40	0.40
<b>TOTAL ₹ :</b>	<b>3.20</b>	<b>3.20</b>

#### 33 Exceptional items

Particulars	For the Year 2023-24	For the Year 2022-23
Prior Period Expenses	9.58	1.09
Loss/ (Profit) on Sale of Fixed Assets/Investments	4.53	(0.52)
<b>TOTAL ₹ :</b>	<b>14.11</b>	<b>0.57</b>

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#### 34 Tax expenses

Particulars	For the Year 2023-24	For the Year 2022-23
Current tax	62.07	57.00
Deferred tax	(8.30)	(10.65)
Tax adjustment of earlier years	(0.31)	2.25
<b>TOTAL ₹ :</b>	<b>53.47</b>	<b>48.60</b>

#### 1) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

Particulars	For the Year 2023-24	For the Year 2022-23
<b>Profit before tax</b>	<b>203.02</b>	<b>181.44</b>
Tax at the Indian tax rate of 25.168% (2021-2022– 25.168%)	51.10	45.66
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowed in Income Tax	-	-
Other	(0.31)	2.25
<b>TOTAL ₹ :</b>	<b>50.79</b>	<b>47.92</b>
<b>Effective Tax Rate</b>	<b>25.02%</b>	<b>26.41%</b>

#### 35 Earning Per Share :

Particulars	For the Year 2023-24	For the Year 2022-23
Basic Earning Per Share	0.26	0.23
Diluted Earning Per Share	0.26	0.23
Nominal Value Per Share	Rs. 2.00	Rs. 2.00

Earning Per share is calculated by dividing the Profit/(Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

Particulars	For the Year 2023-24	For the Year 2022-23
Profit / (Loss) after taxation	149.55	132.84
Net Profit / (Loss) attributable to Equity	149.55	132.84
Number of shares at the beginning of the year	57,495,825	57,495,825
Number of shares allotted during the year (Previous Year shares allotted as Bonus Shares)	-	-
Number of shares at the end of the year	57,495,825	57,495,825
<b>Weighted Average Number of shares outstanding during the year</b>	<b>57,495,825</b>	<b>57,495,825</b>

#### 36 Capital Commitments and Contingent Liabilities:

##### A. Contingent Liabilities:

\* As per the Management representation considering the trend in the Submersible Pump Industry and verbal agreements between the company and Creditors the payment terms are 90 days to 120 days normally, therefore company neither Paid any interest to creditors nor made any Provision, However as per MSME Act Sundry Creditors more than 15 days (Considered only whoes MSME Certificates are received by the company ) are Rs. 2,96,09,794/- and considering fifteen days grace period calculated Interest to MSME is Rs. 51,85,860/-.

\* There is demand outstanding on the income tax portal for AY 2020-21, Rs. 30,24,455/- (including accrued interest) and for AY 2018-19, Rs. 3,03,740/- (including accrued interest) however management disagree with the demand and reply is filed with the IT department, reply awaited.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

At officer level the decision was not in favour of the company, therefore, the company has appealed in Commissioner of appeal. Therefore, the company has recognised it as contingent liabilities.

##### B. Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, Rs. NIL Lakhs (previous year Rs. NIL Lakhs).

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#### 37 Disclosures Regarding Employee Benefits

As per Indian Accounting Standard 19 "Employee Benefits" the disclosures are given below:

##### 1). Defined Contribution Plan:

Contribution to defined contribution plan, recognised as expense for the year is as under:

Particulars	For the Year 2023-24	For the Year 2022-23
Employers contribution to recognized fund	7.33	6.42
<b>TOTAL ₹ :</b>	<b>7.33</b>	<b>6.42</b>

**1) Defined Contribution Plan:** Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organisation established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.

**2) Defined Benefit Plan:** Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed 5 years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

#### 38 First time adoption of Ind AS

##### Transition to Ind AS

These are the Company's first financial statement prepared in accordance with Ind AS.

##### 38.1 Exemptions and exceptions availed

The accounting policies set out in Note 1, have been applied in preparing the financial statements for the period ended March 31, 2023, the comparative information presented in these financial statements for the year ended March 31, 2024 and in the preparation of opening Ind AS balance sheet as at April 1, 2022. In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

##### Ind AS optional exemptions cost

**Deemed cost:-** Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, Intangible Assets, Investment property, and Investment in subsidiaries / joint venture / associates, as recognised in the financial statements as at the date of transition to Ind AS, measured as for the previous GAAP and use that as its deemed cost as at date of transition after making necessary adjustments for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values as at April 1, 2022.

##### 38.2 Ind AS mandatory exceptions

##### De-recognition of financial assets and liabilities:-

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

##### Classification and measurement of financial assets:-

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date transition to Ind AS.

##### Impairment of financial assets:-

An entity shall determine the approximate credit risk at the date that financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind. This should be based on reasonable and supportable information that is available without undue cost or efforts. If any entity is unable to make this determination without undue cost or effort, it shall recognise a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognised. The Company has this exception to analyse credit risk of the financial assets as the date of transition instead of the date of initial recognition.

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(Amount in Lakhs)

#### 39 Financial Instruments and Risk Review

##### i) Capital Management

The company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's Board of directors reviews the capital structure on a regular basis. As part of this review, the board considers the cost of capital risk associated with each class of capital requirements and the maintenance of adequate liquidity. Consistent with others in the industry, The Company monitors capital based on the following gearing ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents and deposits with Banks and Financial Institutions) divided by Total 'equity' (as shown in the balance sheet).

The current gearing ratio of the group is as follows:

Particulars	As at 31-Mar-24	As at 31-Mar-23
Equity Share Capital	1,149.92	1,149.92
Other Equity	694.40	540.58
<b>Total Equity</b>	<b>1,844.31</b>	<b>1,690.50</b>
Interest-bearing loans and borrowings	1,660.47	1,231.06
Less: Cash & Cash Equivalent	6.69	7.06
Less: Bank balances other than above	-	-
<b>Net Debt</b>	<b>1,653.78</b>	<b>1,224.00</b>
<b>Gearing Ratio</b>	<b>0.90</b>	<b>0.72</b>

##### Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note provided hereunder :

#### 40 Fair Value Measurement

##### 1) Categories of Financial Instruments:

Particulars	As at 31-Mar-24	As at 31-Mar-23
<b>A. Financial Assets</b>		
<b>i. Measured at Amortised Cost</b>		
1) Trade Receivables	1,661.17	1,276.16
2) Cash & Cash Equivalents	6.69	7.06
3) Loans	14.55	15.68
4) Other Financial Assets	137.14	42.97
5) Other Current Assets & Tax Assets	50.65	258.99
<b>ii. Measured at FVTPL</b>		
1) Loans	-	-
<b>B. Financial Liabilities</b>		
<b>i. Measured at Amortised Cost</b>		
1) Borrowings	1,591.14	1,134.66
2) Trade Payables	743.10	817.00
3) Other Current Liabilities	120.75	72.49
4) Other Non-Current Liabilities	-	-
<b>ii. Measured at FVTPL</b>		
1) Borrowings	69.33	96.40

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale. The Company determines fair values of financial assets and financial liabilities by discounting contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The fair value of investment is determined using quoted net assets value. Further, the subsequent measurement of all finance assets and liabilities (other than investment) is at amortized cost, using the effective interest method.

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#### 2) Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credits rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments. Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

#### 3) The following methods and assumptions were used to estimate fair value:-

- a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- b) The fair value of the Company's interest borrowing received are determined using discount rate reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the end of reporting period was assessed to be insignificant.

#### 4) Fair value hierarchy:

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

**Level: 1** - Quoted (unadjusted) price is active market for identical assets or liabilities.

**Level: 2** - Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

**Level: 3** - Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observation market data.

#### 5) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- a) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.
  - b) the use of quoted market prices or dealer quotes for similar instruments
- 6) The carrying amounts of trade receivables, trade payables, dealer deposits, cash and bank balances, deposits, loans, borrowings and other current financial liabilities and financial assets are considered to be the same as their fair values, due to their short-term nature. The fair values for long term loans to others and long term borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. The security deposits are receivable on demand and hence their carrying amount is considered as fair value.  
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### 41 Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

##### Market Risk

Market risk is the risk of uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are price risk and interest rate. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

##### Interest Rate Risk

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

##### Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Due in 1 Year	Due after 1 Year	Total
<b>As at 31<sup>st</sup> March, 2024</b>			
Borrowings	1,591.14	69.33	1,660.47
Trade Payables	743.10	-	743.10
Other Current Liabilities	120.75	-	120.75
<b>Total</b>	<b>2,454.99</b>	<b>69.33</b>	<b>2,524.32</b>
<b>As at 31<sup>st</sup> March 2023</b>			
Borrowings	1,134.66	96.40	1,231.06
Trade Payables	817.00	-	817.00
Other Financial Liabilities	72.49	-	72.49
<b>Total</b>	<b>2,024.16</b>	<b>96.40</b>	<b>2,120.55</b>

#### Trade Receivables:

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

Particulars	Due in 1 Year	1 year - 3 year	More than 3 Years	Total
<b>As at 31<sup>st</sup> March, 2024</b>				
1) Trade Receivables	1,661.17	-	-	1,661.17
2) Cash & Cash Equivalents	6.69	-	-	6.69
3) Loans	14.55	-	-	14.55
4) Other Financial Assets	145.75	42.04	-	187.79
5) Investments	-	-	0.51	0.51
<b>Total</b>	<b>1,828.16</b>	<b>42.04</b>	<b>0.51</b>	<b>1,870.71</b>
<b>As at 31<sup>st</sup> March 2022</b>				
1) Trade Receivables	1,276.16	-	-	1,276.16
2) Cash & Cash Equivalents	7.06	-	-	7.06
3) Loans	15.68	-	-	15.68
4) Other Financial Assets	260.24	41.73	-	301.97
5) Investments	-	-	-	-
<b>Total</b>	<b>1,559.14</b>	<b>41.73</b>	<b>-</b>	<b>1,600.87</b>

#### 42 Related Party Disclosures:

##### 42.1 Related Parties & their Relationship

As per IND AS 24, the disclosures of transactions with the related parties are given below:

##### i) List of Related parties where control exists and related parties with whom transactions have taken place and relationships:

##### a). Key Managerial Personnel:

- (i) Kapoor Chand Garg
- (ii) Pawan Garg

##### b). Relatives of Key Managerial Personnel:

- (i) Harish Aggarwal
- (ii) Seema Aggarwal

##### c). Subsidiary Company:

- (i) Latteys Electricals Private Limited

##### d). Associate Concerns/ Entities in which KMP/ Relative of KMP have Significant Influence:

- (i) Fortune Telenet Pvt Ltd

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 42.2 Transactions with Related Parties

Sr. No.	Nature of Transaction	Name of Related Party	Amount in Lakhs	
			2023-2024	2022-2023
1	Director Remuneration	Kapoor Chand Garg	19.20	19.20
		Pawan Garg	19.20	19.20
2	Rent Paid	Kapoor Chand Garg	18.00	9.00
		Pawan Garg	2.22	2.22
3	Commission Paid	Harish Aggarwal	6.68	3.62
		Seema Aggarwal	6.68	8.62
4	Investment	Latteys Electricals Private Limited	0.51	-
5	Loans Taken	Pawan Garg	-	15.10

#### 43 Statement of Significant Ratios

Particulars	Numerator/Denominator	For the Year 2023-24	For the Year 2022-23	Variance (%)	Reason
a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current liabilities}}$	1.35	1.43	-5.59%	-
b) Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$	0.90	0.73	23.29%	-
c) Debt-Service Coverage Ratio	$\frac{\text{Earning before Interest and Tax}}{\text{Interest Expense + Principal Repayments made during the Year for Long Term Loans}}$	1.73	1.28	35.16%	Note : 01
d) Return on Equity Ratio	$\frac{\text{Profit after tax (Attributable to Owners)}}{\text{Average Net Worth}}$	8.00%	8.00%	0.00%	-
e) Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories}}$	1.17	0.79	48.10%	Note : 02
f) Trade Receivable Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Average Trade Receivable}}$	4.33	5.13	-15.59%	-
g) Trade Payable Turnover Ratio	$\frac{\text{Cost of Materials Consumed}}{\text{Average Trade Payable}}$	4.20	2.85	47.37%	Note : 03
h) Net Capital Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	6.35	4.84	31.20%	Note : 04
i) Net Profit Ratio	$\frac{\text{Profit After Tax (after exceptional items)}}{\text{Total Turnover}}$	2.00%	3.00%	-33.33%	Note : 05
j) Return on Capital Employed	$\frac{\text{Net Profit After Tax + Deferred Tax + Finance Cost (-) Other Income}}{\text{Average Capital Employed}}$	9.00%	6.00%	50.00%	Note : 06

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### Notes related to Ratio:

- 1). There is an increase in Earning available for Debt Service by 23.08% and a decrease in interest and principal repayments value by 9.04%.
- 2). There is an increase in the Cost of Goods sold by 38.73% and a decrease in Average Inventory by 6.09%.
- 3). There is an increase in the Cost of Material Consumed by 38.73% and a decrease in Average Trade Payables by 5.81%.
- 4). There is an increase in the Turnover by 20.23% and a decrease in Net Working Capital by 8.30%.
- 5). There is an increase in the Turnover and Net Profit by 20.23% and 12.58%, respectively.
- 6). There is an increase in the Operating Profit and Average Capital Employed by 53.39% and 13.02%, respectively.

**44** Certain Balances of Debtors, Creditors, Loans & Advances for Capital expenditures are non-moving / sticky. However in view of the management, the same is recoverable/payable. Hence no provision for the same is made in the books of accounts.

**45** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.

**46** The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.

**47** Previous year's figures have been regrouped and rearranged wherever necessary.

#### **48 Segment Reporting**

The Company has a geographical segment other than Domestic area, however management consider the same as one segment only. Therefore, Segment Reporting is not provided.

#### **49 Benami Transactions**

There is no proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### **50 Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial institutions or other lender.

#### **51 Transactions with Struck off Companies**

As stated & Confirmed by the Board of Directors, The Company has not under taken any transactions nor has outstanding balance with the Company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.

#### **52 Satisfaction of Charge/Creation of Charge**

There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

#### **53 Number of Layers of Subsidiary**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.

#### **54 Undisclosed Transactions**

As stated & confirmed by the Board of Directors, The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

#### **55 Loan or Investment to Ultimate Beneficiaries**

As stated & Confirmed by the Board of Directors, The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

#### **56 Loan or Investment from Ultimate Beneficiaries**

As stated & Confirmed by the Board of Directors, The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

#### **57 Audit Trail**

The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.



## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Standalone Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 58 Utilization of Term Loans

The Company has applied term loans for the purpose for which the same was obtained during the year.

#### 59 Working Capital

The Company has been sanctioned working capital limits from a bank on the basis of security of the current assets. Quarterly returns or statements filed by the Company with such bank are not in agreement with the books of accounts.

#### 60 Crypto Currency

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

Notes referred to herein above form an integral part of the Financial Statements

In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E

For and on behalf of Board of Directors

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172  
UDIN : 24012172BJZZEB9366

Sd/- Sd/-  
Kapoor Chang C  
Managing Direc  
DIN: 00434621

Pawan Garg  
Director  
DIN: 00434836

Place :- Delhi  
Date :- 30th May, 2024

Sd/-  
Sumit Goel  
Chief Financial

Sd/-  
Sonika Jain  
Company Secretary



# CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

**LATTEYS INDUSTRIES LIMITED**

Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad-382330, Gujarat

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**OFFICES: AHMEDABAD | DELHI | JAIPUR  
KANPUR | PATNA | PUNE | INDORE**

# INDEPENDENT AUDITOR'S REPORT

To the Members of LATTEYS INDUSTRIES LTD.

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated financial statements of **LATTEYS INDUSTRIES LTD.** ('The Holding Company'), and its subsidiaries (Holding Company and its subsidiaries collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

The financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2024, of the consolidated profit and total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the Consolidated financial statements of the current year. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

### Information other than the Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the relevant laws and regulations.

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

The accompanying Consolidated financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated 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, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Consolidated 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 Standards on Auditing 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 Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. (A) As required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Consolidated financial statements;
  - 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 Consolidated financial statements dealt with by this report are in agreement with the books of account;
  - d) We did not audit the financial statements / financial information of one subsidiary, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 1.24 lakhs as at 31 March 2024 and total revenues (before consolidation adjustments) of Rs. Nil , as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate is based solely on the reports of the other auditors.
  - e) In our opinion, the aforesaid Consolidated financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - f) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us the remuneration paid by the Holding Company to its directors during the year is in accordance with the section 197 read with Schedule V of the Act.
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate Report in Annexure A wherein we have expressed an unmodified opinion; and
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company, as detailed in note 35 to the Consolidated financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv.
  - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
  - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by other auditor of subsidiaries included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in this CARO report.

**FOR K. N. GUTGUTIA & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 034153E**

**Sd/-  
(B. R. GOYAL)  
PARTNER  
M. NO. 12172  
UDIN: 2401272BJZZEA2047  
DATE: 30.05.2024  
PLACE: NEW DELHI**



**Report on the internal financial controls with reference to the aforesaid Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

(With reference to **Annexure A** Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Opinion**

We have audited the internal financial controls with reference to Consolidated financial statements of LATTEYS INDUSTRIES LTD ("the Company") as of **31 March 2024** in conjunction with our audit of the Consolidated financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Consolidated financial statements and such internal financial controls were operating effectively as at **31 March 2024**, based on the internal financial controls with reference to Consolidated financial statements criteria established by the. Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, 'to the extent applicable to an audit of internal financial controls with reference to Consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated 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 with reference to Consolidated financial statements.

## **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated financial statements include 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 Consolidated 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 Consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

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

**FOR K. N. GUTGUTIA & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 034153E**

**Sd/-  
(B. R. GOYAL)  
PARTNER  
M. NO. 12172  
UDIN: 2401272BJZZEA2047  
DATE: 30.05.2024  
PLACE: NEW DELHI**



# CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

**LATTEYS INDUSTRIES LIMITED**

Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad-382330, Gujarat

[www.latteysindustries.com](http://www.latteysindustries.com) | [info@latteysindustries.com](mailto:info@latteysindustries.com)

**Customer care: +91 93279 13432**

**OFFICES: AHMEDABAD | DELHI | JAIPUR  
KANPUR | PATNA | PUNE | INDORE**

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Balance Sheet as at 31st March, 2024

(Amount in Lakhs)

Particulars	Note	As at 31-Mar-2024	As at 31-Mar-2023	As at 01-Apr-2022
<b>I. ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, Plant & Equipment	2	858.74	641.50	556.00
(b) Capital work-in-progress		-	-	-
(c) Right of Use Assets		26.79	10.03	22.01
(d) Goodwill		-	-	-
(e) Intangible Assets		-	-	-
(f) Intangible Assets under Development	2	10.51	7.37	6.87
(g) Investment Property		-	-	-
(i) Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade Receivables		-	-	-
(iii) Loans		-	-	-
(iv) Others	3	136.16	41.73	42.38
(j) Deferred Tax Assets (net)	4	40.82	34.02	23.38
(k) Other Non-current assets		-	-	-
		<b>1,073.02</b>	<b>734.65</b>	<b>650.64</b>
<b>2. Current assets</b>				
(a) Inventories	5	2,072.55	2,055.00	2,340.00
(b) Financial Assets		-	-	-
(i) Investments	6	-	42.33	42.33
(ii) Trade Receivables	7	1,661.17	1,276.16	789.45
(iii) Cash and cash equivalents	8	7.93	7.06	20.61
(iv) Bank balance other than (iii) above		-	-	-
(v) Loans	9	14.56	15.68	-
(vi) Others	10	0.97	1.25	2.97
(c) Current Tax Assets (net)		-	-	-
(d) Other current assets	11	50.65	258.99	329.71
		<b>3,807.83</b>	<b>3,656.47</b>	<b>3,525.07</b>
<b>Assets Classified as Held for Sale</b>				
		-	-	-
<b>Total Assets</b>		<b>4,880.85</b>	<b>4,391.12</b>	<b>4,175.71</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity share capital	12	1,149.92	1,149.92	459.97
(b) Other equity	13	694.32	540.59	1,097.70
(c) Non-Controlling Interest		0.41	-	-
		<b>1,844.65</b>	<b>1,690.51</b>	<b>1,557.67</b>
<b>2. Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities		-	-	-
(i) Borrowings	14	69.33	96.40	136.78
(ii) Trade payables		-	-	-
(iii) Lease Liability	15	28.89	11.29	23.39
(iv) Other financial liabilities	16	5.56	5.07	4.62
(b) Provisions	17	33.70	24.48	15.63
(c) Deferred tax liabilities (net)		-	-	-
(d) Other non-current liabilities		-	-	-
		<b>137.48</b>	<b>137.24</b>	<b>180.42</b>

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Balance Sheet as at 31st March, 2024

(Amount in Lakhs)

Particulars	Note	As at 31-Mar-2024	As at 31-Mar-2023	As at 01-Apr-2022
<b>3. Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	1,591.39	1,134.66	1,085.69
(ii) Trade payables	19			
i. Dues to micro and small enterprises		-	-	-
ii. Dues to other than micro and small enterprises		1,039.20	1,261.93	1,181.01
(iii) Lease Liability		-	-	-
(iv) Other financial liabilities	20	124.28	75.53	90.64
(b) Provisions	21	0.58	0.48	0.28
(c) Current Tax Liabilities (Net)	22	22.52	18.28	30.90
(d) Other current liabilities	23	120.75	72.49	49.10
		<b>2,898.72</b>	<b>2,563.37</b>	<b>2,437.62</b>
<b>Liabilities associated with assets classified as held for sale</b>		-	-	-
<b>Total Equity and Liabilities</b>		<b>4,880.85</b>	<b>4,391.12</b>	<b>4,175.71</b>

Summary of significant accounting policies 01  
 The accompanying notes are an integral part of the financial statements 2 to 59

In terms of our report of even date.

For K. N. Gutgutia & Company  
 Chartered Accountants  
 F.R.No :- 034153E  
 UDIN : 24012172BJZZEA2047

For and on behalf of Board of Directors

Sd/-  
 CA B. R. Goyal  
 Partner  
 M.No :- 012172

Sd/-  
 Kapoor Chang Garg  
 Managing Director  
 DIN: 00434621

Sd/-  
 Pawan Garg  
 Director  
 DIN: 00434836

Place :- Delhi  
 Date :- 30th May, 2024

Sd/-  
 Sumit Goel  
 Chief Financial Officer

Sd/-  
 Sonika Jain  
 Company Secretary

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

		(Amount in Lakhs)	
Particulars	Note	Year Ended 31-Mar-24	Year Ended 31-Mar-23
I.	Revenue from operations	6,364.61	5,293.67
II.	Other Income	31.00	71.41
<b>III.</b>	<b>Total Revenue (I + II)</b>	<b>6,395.61</b>	<b>5,365.08</b>
IV.	Expenses:		
	Cost of Material Consumed	4,834.13	3,484.68
	Purchases of stock-in-trade	-	-
	Changes in Inventories	(373.81)	529.16
	Employee benefits expenses	556.78	450.59
	Finance costs	166.23	129.46
	Depreciation and amortization expense	143.85	124.24
	Other expenses	851.47	464.93
	<b>Total expenses (IV)</b>	<b>6,178.64</b>	<b>5,183.06</b>
<b>V.</b>	<b>Profit before Exceptional, Extraordinary items and Tax (III-IV)</b>	<b>216.97</b>	<b>182.02</b>
VI.	Exceptional items	14.11	0.57
<b>VII.</b>	<b>Profit/(Loss) before tax (V - VI)</b>	<b>202.86</b>	<b>181.44</b>
VIII.	<b>Tax expenses</b>		
	(1) Current tax	62.07	57.00
	(2) Deferred tax	(8.30)	(10.65)
	(3) Tax adjustment of earlier years	(0.31)	2.25
	(4) MAT Credit utilized/(Receivable)	-	-
<b>IX.</b>	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>	<b>149.39</b>	<b>132.84</b>
X.	Profit/(Loss) for the period from discontinued operations	-	-
XI.	Tax expenses of discontinued operations	-	-
XII.	Profit/(Loss) after tax for the period from discontinued operations (X-XI)	-	-
<b>XIII.</b>	<b>Profit/(Loss) for the period</b>	<b>149.39</b>	<b>132.84</b>
XIV.	<b>Other comprehensive income</b>		
	A) (i) Items that will not be reclassified to profit or loss	5.76	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.50)	-
	B) (i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
<b>XV.</b>	<b>Total Comprehensive income for the period</b>	<b>4.27</b>	<b>-</b>

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Statement of Profit and Loss for the year ended 31st March, 2024

		(Amount in Lakhs)	
	Particulars	Note	
			Year Ended 31-Mar-24
			Year Ended 31-Mar-23
XVI.	<b>Total Comprehensive income for the period (XIII+XV) (Comprising Profit/(Loss) and Other comprehensive income for the year)</b>		<b>153.65</b>
			<b>132.84</b>
XVII	Earnings per equity share (for continuing operations):	<b>34</b>	
	(1) Basic		<b>0.26</b>
	(2) Diluted		<b>0.23</b>
XVIII	Earnings per equity share (for discontinued operations):		
	(1) Basic		-
	(2) Diluted		-
XIX	Earnings per equity share (for discontinued & continuing operations):		
	(1) Basic		<b>0.26</b>
	(2) Diluted		<b>0.23</b>

Summary of significant accounting policies

01

The accompanying notes are an integral part of the financial statements.

2 to 59

In terms of our report of even date.

For and on behalf of Board of Directors

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E  
UDIN : 24012172BJZZEA2047

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary

Place :- Delhi  
Date :- 30th May, 2024



# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Cash Flow Statement for the Year ended 31st March, 2024

(Amount in Lakhs)

Particulars	For the Year Ended 31-Mar-24	For the Year Ended 31-Mar-23
<b>Cash flow from Operating activities:</b>		
Net profit before tax as per statement of profit and loss	202.86	181.44
<b>Adjusted for:</b>		
Depreciation & amortization	143.85	124.24
Interest & finance costs	166.23	129.46
Interest Income	(0.42)	(1.47)
Dividend Income	-	-
Provision for Doubtful Debts	-	-
Re-measurement (gains) / loss on defined benefit plans	-	-
Unrealised Exchange (gains)/loss	-	-
(Profit) /Loss on sale of property, plant and equipment (net)	-	-
<b>Operating cash flow before working capital changes</b>	<b>512.51</b>	<b>433.67</b>
<b>Adjusted for:</b>		
(Increase)/ decrease in inventories	(17.55)	285.00
(Increase)/ decrease in trade receivables	(385.01)	(486.70)
(Increase)/ decrease in other current assets	208.35	70.72
(Increase)/ decrease in other current tax assets	-	-
Increase/ (decrease) in other financial assets	(94.16)	2.37
Increase/ (decrease) in other non current liabilities	-	-
Increase/ (decrease) in trade payables	(222.74)	80.92
Increase/ (decrease) in other financial liabilities	49.25	(14.66)
Increase/ (decrease) in other current liabilities	48.26	23.39
Increase/ (decrease) in short term provisions	0.10	0.20
Increase/ (decrease) in long term provisions	14.98	8.86
<b>Cash generated from / (used in) operations</b>	<b>114.00</b>	<b>403.76</b>
Income taxes paid	(57.54)	(71.86)
<b>Net cash generated from/ (used in) operating activities</b> [A]	<b>56.46</b>	<b>331.89</b>
<b>Cash flow from Investing activities:</b>		
Purchase of Property, Plant and Equipment	(380.98)	(198.74)
Sale of Property, Plant and Equipment	-	0.48
Purchase of Intangible Asset	-	-
Movement in Investment Property	-	-
Movement in Advance for Capital Goods	-	-
Interest Received	0.42	1.47
Dividend Received	-	-
Increase/ decrease in short term loans and advances	1.12	(15.68)
Increase/ decrease in long term loans and advances	-	-
Increase/ decrease in other Bank balance	-	-
Purchase/Sale of investments	42.33	-
Increase/decrease in ROU Asset	-	-
<b>Net cash flow from/(used in) investing activities</b> [B]	<b>(337.11)</b>	<b>(212.47)</b>

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Cash Flow Statement for the Year ended 31st March, 2024

<b>Cash flow from Financing activities:</b>		
Proceeds from long term borrowing (net)		(27.06)
Proceeds from short term borrowing (net)		456.73
Interest & finance costs		(166.23)
Proceeds from Issue of Capital		0.49
Increase/(decrease) in Lease Liability		17.59
<b>Net cash flow from/(used in) financing activities</b>	<b>[C]</b>	<b>281.52</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents [A+B+C]</b>		
Cash & cash equivalents as at beginning of the year		7.06
<b>Cash &amp; cash equivalents as at end of the year [Refer Note - 8]</b>		<b>7.93</b>

(Amount in Lakhs)

Particulars	For the Year Ended 31-Mar-24	For the Year Ended 31-Mar-23
<b>Cash and Cash equivalent comprises of:</b>		
Cash on hand	2.77	2.88
<b>Bank Balances:</b>		
In current account	5.16	4.18
<b>Cash &amp; cash equivalents as at end of the year</b>	<b>7.93</b>	<b>7.06</b>

### Notes:

- The above Cash Flow Statement has been prepared under ' the indirect method ' as set out in the Indian Accounting Standards (IND AS-7) Statement of Cashflows.
- Figures in bracket indicates cash outflow.
- Previous year figures have been regrouped/rearranged wherever necessary.

### In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E  
UDIN : 24012172BJZZEA2047

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172  
UDIN : 24012172BJZZEA2047

Place :- Delhi  
Date :- 30th May, 2024

For and on behalf of Board of Directors

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary

## Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

### Consolidated Statement of Changes in Equity for the Year ended 31st March, 2024

(Amount in Lakhs)

**A Equity Share Capital:**

Particulars	As at March 31, 2024			As at March 31, 2023		
	Number of Share	Face Value (INR)	Amount in Lakhs	Number of Share	Face Value (INR)	Amount in Lakhs
<b>Balance at the beginning of the year</b>	57,495,825	2.00	1,149.92	4,599,666.00	10.00	459.97
<b>Changes during the current year</b>						
Add : Bonus Issued during the Year	-	-	-	6,899,499.00	10.00	689.95
Shares Split during the year	-	-	-	57,495,825.00	2.00	1,149.92
<b>Balance at the end of the year</b>	57,495,825.00		1,149.92	57,495,825.00		1,149.92

**B Other Equity:**

Particulars	Share Application Money Pending Allotment	Reserves & Surplus			Other Comprehensive Income	Money Received Against Share Warrants	Total
		Capital Reserve	Securities Premium	Retained Earnings			
<b>Balance as at April 01, 2022</b>	-	-	642.93	450.27	-	-	1,093.21
Profit/(Loss) for the period	-	-	-	132.84	-	-	132.84
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Issue of Bonus Shares	-	-	(642.93)	(47.02)	-	-	(689.95)
Reclassification of OCI into Retained earning	-	-	-	-	-	-	-
Remeasurement of net defined benefit plan	-	-	-	-	-	-	-
Other Fair Value Adjustments	-	-	-	4.49	-	-	4.49
<b>Balance as at March 31, 2023</b>	-	-	-	540.59	-	-	540.59
<b>Balance as at April 01, 2023</b>	-	-	-	540.59	-	-	540.59
Profit/(Loss) for the period	-	-	-	149.39	-	-	149.39
Other comprehensive income (net of tax)	-	-	-	-	4.26	-	4.26
Issue of Bonus Shares	-	-	-	-	-	-	-
NCI Portion in Profit/(Loss)	-	-	-	0.08	-	-	0.08
Reclassification of OCI into Retained earning	-	-	-	-	-	-	-
Remeasurement of net defined benefit plan	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	-	-	-	690.06	4.26	-	694.32

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E

For and on behalf of Board of Directors

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172  
UDIN : 24012172BJZZEA2047

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Place :- Delhi  
Date :- 30th May, 2024

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

### 1. A GENERAL INFORMATION:

Latteys Industries Limited ('LIL' or 'the Company') having CIN: L29120GJ2013PLC074281 is a public limited company listed on the National Stock Exchange and incorporated under the provisions of the Companies Act, 1956 on August 18th, 1988 having its registered office at Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330.

The Company is incorporated with an object to carry out the business related to manufacturing and trading of various kinds of submersible pumps, agriculture pumps and equipment, industrial pumps and machinery, water pumps and electric motors.

The Financial Statements of the Company for the year ended as of March 31, 2024 are approved by the board of directors and authorised for issue on the Date :- 30th May, 2024

### 1. B SIGNIFICANT ACCOUNTING POLICIES :

#### **1 Basis of Accounting**

i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except investments which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.

ii) Accounting policies have been consistently applied except where a newly issued IND AS is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

iii) As the quarter and year figures are taken from the source and rounded to the nearest digits, the figures already reported for all the quarters during the year might not always add up to the year figures reported in this statement.

iv) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

#### **2 Use Of Estimates**

i) The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

#### **3 Property, Plant & Equipments (PPE)**

i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

ii) Subsequent costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

a) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.

b) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. 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.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

c) Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

d) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

e) Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

f) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.

### 4 Intangible Assets

i). Intangible assets acquired by payment e.g. Computer Software is disclosed at cost less amortisation on a straight-line basis over its estimated useful life.

ii). Intangible assets are carried at cost, net of accumulated amortisation and impairment loss, if any.

### 5 Capital work in progress

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in- Progress and the same are capitalized under the appropriate heads on completion of the projects, if any.

### 6 Depreciation

Depreciation for the year has been provided on the basis of useful life of assets as prescribed in schedule II to the Companies Act, 2013. The carrying amount has been depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

Depreciation on Intangible assets have been provided following the Accounting Standard - 26 "Intangible Assets" on Straight Line basis.

### 7 Revenue Recognition

Revenue is primarily derived from sale of finished goods to the customers. Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable, if any.

Discount claims, rebates and retirement benefits which cannot be determined with certainty during the year, are recognized on receipt basis.

### 8 Investments

Investments are stated at cost, after providing provision towards diminution, other than temporary if any.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

### 9 Valuation of Inventories

i). The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.

ii). Stock of Raw Materials are valued at cost and of those in transit related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

iii). Goods-in-process is valued at lower of cost or net realisable value.

iv). Stock of Finished goods is valued at lower of cost or net realisable value.

v). Inventories are taken as valued and certified by the management of the company.

### 10 Provision for Current Tax and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets are recognised and carried.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during specified period. In the year in which the MAT credit becomes eligible, to be recognized as an asset. In accordance with recommendation contained in the guidance note issued by ICAI, said asset is created by way of credit/reversal of provisions to Profit and Loss A/c and shown as MAT Credit Entitlements in Loans and Advances. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

### 11 Foreign Exchange Gain / Loss

Exchange gain / loss is need to recognized due to difference in rate at the time of payment / receipt and occurrence of transaction on payment made in foreign currency or receipt of foreign currency as per Accounting Standard - 11 "The effects of changes in Foreign Exchange Rates".

The quantum of exchange rate difference is worked out, the effect of the same on profit and loss account has been given.

### 12 Borrowing Cost

Borrowing costs include interest, amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalization of such asset is added to the cost of the assets.

Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### 13 Cash Flow Statement

The Company has prepared cash flow statement by following an indirect method as per Accounting standard - 3 issued by ICAI.

Cash flows are reported using the indirect method, whereby 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 of the group are segregated.

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Cash and Cash equivalent mentioned in Balance Sheet and cash flow comprise of Cash on hand, Balance with banks and amount kept as fixed deposit in banks.

### 14 Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote, if any.

Contingent assets are neither recognized nor disclosed in the financial statements.

### 15 Accounting for Taxes on Income

i). Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

ii). Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

iii). Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any un used tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.

iv). The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

v). Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.

vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

### 16 Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such asset is estimated and impairment is recognized. If the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of the net selling price and their value in use. Value in use arrived at by discounting the future cash flows to their present value based on an appropriate discounting factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss except in case of revalued asset.

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## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

### 17 Earning Per Share

i). Basic earnings per share are 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.

ii). 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.

### 18 Segment Reporting

As per the information received from the management the company has only one reportable business and hence segment wise information is not given.

### 19 Government Grants

i). Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii). Grants relating to PPE in the nature of Project Capital Subsidy are credited to that particular PPE.

iii). Others are credited to Statement of Profit and Loss.

### 20 Retirement Benefits

i). Leave Encashment:

Leave Encashment is payable as and when due and to the extent there is contravention of Accounting Standard - 15 "Employee Benefits", which has become mandatory. However, the quantum of leave encashment payable is not worked out and therefore it is not possible to quantify the effect of the same on profit and loss account.

ii). Defined Contribution Plans:

These are plans in which the company pays pre-defined amounts to separate funds and does not have any legal or informal obligations to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payment to the defined contributions plans are reported as expenses during the period in which the employees perform the services that the payment covers.

### 21 Current and Non-Current Classification

i). The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".

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

iii). An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

iv). An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.



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## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

### 22 Related Party Transactions

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statement
- a) A person or a close member of that person's family is related to reporting entity if that person;
    - a. has control or joint control of the reporting entity;
    - b. has significant influence over the reporting entity; or
    - c. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
  - b) An entity is related to a reporting entity if any of the following conditions apply;
    - a. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
    - b. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
    - c. Both entities are joint ventures of the same third party;
    - d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
    - e. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
    - f. The entity is controlled or jointly controlled by a person identified in (a);
    - g. A person identified in (a)
    - h. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

- c) Disclosure of related party transactions as required by the AS is furnished in the Notes of the Financial Statements.

### 23 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### ***i) Judgements***

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

#### ***a) Determination of Functional Currency***

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (Rs) in which the Company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (Rs)

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### ***b) Evaluation of Indicators for Impairment of Property, Plant and Equipment***

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

### ***ii) Assumptions and Estimation Uncertainties***

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

### ***a) Useful lives of Property, Plant and Equipment/Intangible Assets***

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

### ***b) Contingent Liabilities***

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

### ***c) Evaluation of Indicators for Impairment of Property, Plant and Equipment***

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Company.

### ***d) Provisions***

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

## **24 Expenses for CSR**

i) In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the latter on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss.

ii) In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering in to a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

iii) the fair value or cost of the asset can be measured reliably.

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

#### 2. Property, Plant and Equipment (Including Right of Use Assets) & Intangible Assets

Particulars	Property, Plant and Equipment							Intangible Assets		ROU Asset	Gross Total	
	Freehold Land	Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Motor Vehicles	Computers & Laptops	Software	Total	Land/ Building		
<b>(Amount in Lakhs)</b>												
<b>Gross Block</b>												
Balance as at April 01, 2022	158.87	231.41	377.35	189.66	-	56.13	15.03	1,028.45	6.87	6.87	22.01	1,057.33
Additions	-	0.99	148.57	32.65	-	7.79	1.94	191.94	0.50	0.50	6.30	198.74
Disposals	-	-	-	-	-	(9.16)	-	(9.16)	-	-	-	(9.16)
Balance as at March 31, 2023	158.87	232.40	525.91	222.30	-	54.77	16.97	1,211.23	7.37	7.37	28.32	1,246.92
Balance as at April 01, 2023	158.87	232.40	525.91	222.30	-	54.77	16.97	1,211.23	7.37	7.37	28.32	1,246.92
Additions	136.46	-	137.20	56.88	-	9.76	1.12	341.41	3.14	3.14	36.44	380.98
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	295.33	232.40	663.11	279.18	-	64.53	18.09	1,552.64	10.51	10.51	64.76	1,627.90
<b>Accumulated Depreciation &amp; Amortisation</b>												
Balance as at April 01, 2022	-	85.50	236.53	99.22	-	37.39	13.80	472.45	-	-	-	472.45
Additions	-	14.78	53.96	26.77	-	8.64	1.80	105.95	-	-	18.29	124.24
Disposals	-	-	-	-	-	(8.68)	-	(8.68)	-	-	-	(8.68)
Balance as at March 31, 2023	-	100.29	290.49	125.99	-	37.36	15.60	569.73	-	-	18.29	588.02
Balance as at April 01, 2023	-	100.29	290.49	125.99	-	37.36	15.60	569.73	-	-	18.29	588.02
Additions	-	12.91	69.47	31.75	-	8.67	1.37	124.17	-	-	19.68	143.85
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	-	113.20	359.96	157.74	-	46.04	16.96	693.90	-	-	37.97	731.86
<b>Net Block</b>												
Balance as at April 01, 2022	158.87	145.91	140.82	90.43	-	18.74	1.23	556.00	6.87	6.87	22.01	584.88
Balance as at March 31, 2023	158.87	132.11	235.42	96.31	-	17.41	1.38	641.50	7.37	7.37	10.03	658.90
Balance as at March 31, 2024	295.33	119.20	303.15	121.44	-	18.49	1.13	858.74	10.51	10.51	26.79	896.04

**2.1 Depreciation and Amortisation :**

The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss."

**2.2 Impairment of Assets :**

The Company has carried out the exercise of assessment of any indications of impairment to its property, plant and equipment as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no impairment to its property, plant and equipment during the year."

**2.3 Property, plant and equipment pledged as security :**

#REF!

**2.3 Contractual obligations :**

Refer Note no. 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment, if any.

**2.4 Title deeds of immovable properties not held in name of the company :**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note no. 2 to the financial statements, are held in the name of the company.

**2.5 Revaluation of Property, Plant and Equipment :**

The Company has not revalued its property, plant and equipment (including Right-of-Use Assets) and intangible assets during the year.

**2.6 Effect of Transition from AS to Ind AS**

The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) & Intangible assets recognised as of April 1, 2022 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

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(Amount in Lakhs)

#### 03 Other Financial Assets:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured, Considered Good unless otherwise stated</b>			
Security Deposit	125.21	14.26	14.51
Fixed Deposits with Maturity more than 12 months	10.95	27.46	27.87
Interest Receivable of FD	-	-	-
<b>TOTAL ₹ :</b>	<b>136.16</b>	<b>41.73</b>	<b>42.38</b>

- 1) Security deposit includes Deposit for Gas and/or Power connections and a Deposit for a premise to the municipality.

#### 04 Deferred Tax Assets:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Deferred Tax Assets/(Liabilities)</b>			
<b>Deferred Tax Assets</b>			
Property, Plant and Equipment & Intangible Assets	32.86	27.20	18.88
Impairment/Expenses Disallowed Under Income Tax	8.91	6.49	4.14
	0.55	0.33	0.36
	42.32	34.02	23.38
<b>Deferred Tax Liabilities</b>			
Property, Plant and Equipment & Intangible Assets	-	-	-
Defined benefit obligation	(1.50)	-	-
	(1.50)	-	-
<b>TOTAL ₹ :</b>	<b>40.82</b>	<b>34.02</b>	<b>23.38</b>

#### 05 Inventories:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Raw Material*</b>	1,243.05	1,599.31	1,355.15
<b>Work-In-Progress</b>	278.70	113.37	-
<b>Stock-in-trade of Shops (acquired for trading)</b>	-	-	-
<b>Finished Goods</b>	550.80	342.32	984.84
<b>TOTAL ₹ :</b>	<b>2,072.55</b>	<b>2,055.00</b>	<b>2,340.00</b>

\* Include goods in-transit Rs. and Rs. as on March 31, 2024 and March 31, 2023 respectively.

- 1) Inventories as on March 31, 2024 are physically verified and the amount is adjusted for any discrepancies.
- 2) Inventories are hypothecated with the bankers against working capital limits. Refer note no. 18
- 2) Valued at lower of cost and Net Realisable value unless otherwise stated (Refer accounting policies)

#### 06 Investments:

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Keyman Insurance Policy	-	42.33	42.33
<b>TOTAL ₹ :</b>	<b>-</b>	<b>42.33</b>	<b>42.33</b>

#### 07 Trade Receivables:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured</b>			
Considered Good	1,654.14	1,276.16	789.44
Considered doubtful	7.03	-	-
	<b>1,661.17</b>	<b>1,276.16</b>	<b>789.44</b>
Less: Allowance for doubtful debts	-	-	-
<b>TOTAL ₹ :</b>	<b>1,661.17</b>	<b>1,276.16</b>	<b>789.44</b>

1) Trade Receivable are hypothecated with the bankers against working capital limits. Refer note 18

#### 2) Trade Receivable Ageing Schedule as at 31-Mar-2024

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade receivable	1,464.81		39.63	35.25	114.45	1,654.14
Undisputed Trade receivable	-	-	-	-	7.03	7.03
Disputed Trade receivable	-	-	-	-	-	-
Disputed Trade receivable	-	-	-	-	-	-
<b>Total Due</b>	<b>1,464.81</b>	<b>-</b>	<b>39.63</b>	<b>35.25</b>	<b>121.48</b>	<b>1,661.17</b>
Undue Considered Good	-	-	-	-	-	-
Undue Considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,661.17</b>

#### 3) Trade Receivable Ageing Schedule as at 31-Mar-2023

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade receivable	989.95	88.56	75.35	18.49	103.81	1,276.16
Undisputed Trade receivable	-	-	-	-	-	-
Disputed Trade receivable	-	-	-	-	-	-
Disputed Trade receivable	-	-	-	-	-	-
<b>Total Due</b>	<b>989.95</b>	<b>88.56</b>	<b>75.35</b>	<b>18.49</b>	<b>103.81</b>	<b>1,276.16</b>
Undue Considered Good	-	-	-	-	-	-
Undue Considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,276.16</b>

#### 5) Trade Receivable Ageing Schedule as at 01-Apr-2022

Particulars	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
Undisputed Trade receivable	554.16	90.73	33.20	54.99	56.36	789.44
Undisputed Trade receivable	-	-	-	-	-	-
Disputed Trade receivable	-	-	-	-	-	-
Disputed Trade receivable	-	-	-	-	-	-
<b>Total Due</b>	<b>554.16</b>	<b>90.73</b>	<b>33.20</b>	<b>54.99</b>	<b>56.36</b>	<b>789.44</b>
Undue Considered Good	-	-	-	-	-	-
Undue Considered doubtful	-	-	-	-	-	-
<b>Total Trade Receivable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>789.44</b>

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

8 Cash & cash equivalents:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Cash in Hand	2.77	2.88	20.61
Balance with Banks			

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

In Current Accounts	5.16	4.18	0.00
<b>TOTAL ₹ :</b>	<b>7.93</b>	<b>7.06</b>	<b>20.61</b>

1) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

#### 9 Loans:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured: Considered Good</b>			
Advances given to Staff	14.55	15.68	-
Advance to Others	-	-	-
<b>TOTAL ₹ :</b>	<b>14.55</b>	<b>15.68</b>	<b>-</b>

Advance to related parties includes advance given to foreign associated entity.

#### 10 Others Financial Assets

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Rent Receivables	-	-	2.16
Interest Receivables	0.97	1.25	0.81
<b>TOTAL ₹ :</b>	<b>0.97</b>	<b>1.25</b>	<b>2.97</b>

#### 11 Other current assets:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured: Considered Good</b>			
Advance for capital goods	-	111.00	111.00
Advances to Suppliers	43.99	23.28	19.08
Balance with Government authority	-	122.39	195.57
Prepaid Expenses	6.65	2.32	4.07
<b>TOTAL ₹ :</b>	<b>50.65</b>	<b>258.99</b>	<b>329.71</b>

1) GST receivable is considered as per books of accounts and any discrepancies with the government portal are ignored, if any.

#### 12 Equity share capital:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Authorized :</b>			
57500000, Equity Shares of Rs. 2 each (PY: 57500000, Equity Shares of Rs. 2 each)	1,150.00	1,150.00	500.00
<b>Issued, Subscribed and fully Paid up :</b>			
57495825, equity shares of Rs. 10 each (PY: 57495825, Equity Shares of Rs. 2 each)	1,149.92	1,149.92	459.97
<b>TOTAL ₹ :</b>	<b>1,149.92</b>	<b>1,149.92</b>	<b>459.97</b>

##### 12.1 Right, Preferences and restrictions attached to Equity Shares :

The company has only one class of equity shares having a per value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. The final dividend, whenever proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

##### 12.2 Issue of Bonus Shares and Share Split

As on April 01, 2022, the Authorised Share Capital of the company was ₹ 5,00,00,000 (divided into 50,00,000 Equity Shares with of Rs. 10/-each). Paid up & Subscribed Capital of the Company was ₹ 4,59,96,660 (divided into 45,99,666 Equity Shares with of Rs. 10/-each).

The Company has increase Authorised Share Capital from ₹ 5,00,00,000 (divided into 50,00,000 Equity Shares with of Rs. 10/-each) to ₹ 11,50,00,000 (divided into 1,15,00,000 Equity Shares with of Rs. 10/-each) on September 20, 2022 with the approval of Shareholders.

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**(Amount in Lakhs)**

Thereafter, the Company capitalized its profit into Shares and issued Bonus Shares to its shareholders on the basis of 3:2 Ratio (three (3) bonus shares for every two (2) equity shares held) on the entitlement date. The Bonus was subsequently approved by the shareholders via an Annual General Meeting.

On 11.02.2023, the Company has split the face value of equity share from Rs. 10/- to Rs. 2/- per equity share with the approval of shareholders.

After consideration of the split of the face value of Equity Shares, Authorized Share Capital is 11,50,00,000 (divided into 5,75,00,000 equity shares with Rs. 2/- each) and paid-up share capital of the company is 11,49,91,650 (divided into 5,74,95,825 with Rs. 2/- each).



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During the FY 2022-23, Company has issued Bonus Shares and also done Sub Division of Shares. Therefore, numbers of Company's Share Capital and Number of Equity Shares has been increased. The calculation of basic and diluted earnings per share is adjusted for all the periods presented.

#### 12.3 Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31-Mar-24		As at 31-Mar-23	
	No.	Amount in Lakhs	No.	Amount in Lakhs
Equity Shares at the beginning of the Year	57,495,825	1,149.92	4,599,666	459.97
Add: Shares issued as Bonus during the Year	-	-	6,899,499	689.95
	<b>57,495,825</b>	<b>1,149.92</b>	<b>11,499,165</b>	<b>1,149.92</b>
Shares Split (New Face Value Rs. 2 each)			57,495,825	1,149.92
<b>Equity Shares at the end of the year</b>	<b>57,495,825</b>	<b>1,149.92</b>	<b>57,495,825</b>	<b>1,149.92</b>

#### 12.4 The Details of Shareholders holding more than 5% Shares

Name of Shareholder	As at 31-Mar-24		As at 31-Mar-23	
	No. Of Shares	% Held	No. Of Shares	% Held
1 Mr. Kapoor Chand Garg	36,451,125	63.40%	36,451,125	63.40%
<b>TOTAL</b>	<b>36,451,125</b>	<b>63.40%</b>	<b>36,451,125</b>	<b>63.40%</b>

#### 12.5 Shareholding of promoters

##### 1) Shares Held by Promoters at end of the year 31-Mar-2024

Sr. No.	Promoter Name	Class of Share	No. of Shares	% of Total Shares	% Change During The Year
1	Kapoor Chand Garg	Equity	36,451,125	63.40%	-
2	Jawala Parsad Garg	Equity	2,231,250	3.88%	-
3	Pawan Garg	Equity	1,570,875	2.73%	-
4	Kapoor Garg HUF	Equity	651,250	1.13%	-
5	Pawan Garg HUF	Equity	218,825	0.38%	-
6	Saroj Garg	Equity	161,250	0.28%	-
7	Anu Garg	Equity	161,250	0.28%	-

##### 2) Shares Held by Promoters at end of the year 31-Mar-2023

Sr. No.	Promoter Name	Class of Share	No. of Shares	% of Total Shares	% Change During The Year
1	Kapoor Chand Garg	Equity	36,451,125	63.40%	-
2	Jawala Parsad Garg	Equity	2,231,250	3.88%	-
3	Pawan Garg	Equity	1,570,875	2.73%	-
4	Kapoor Garg HUF	Equity	651,250	1.13%	-
5	Pawan Garg HUF	Equity	218,825	0.38%	-
6	Saroj Garg	Equity	161,250	0.28%	-
7	Anu Garg	Equity	161,250	0.28%	-

##### 3) There is no change in shares held by promoters' For the Year 2023-24

#### 13 Other equity:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Reserves &amp; Surplus</b>			
Securities premium	-	-	642.93
Retained earnings	690.06	540.59	454.77
<b>Other Reserves</b>			

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		(Amount in Lakhs)	
Other comprehensive income		4.26	-
	<b>TOTAL ₹ :</b>	<b>694.32</b>	<b>540.59</b>
			<b>1,097.70</b>

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(Amount in Lakhs)

#### 13.1 Particulars relating to Other Equity

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Securities premium</b>			
Opening Balance	-	642.93	642.93
Less: Adjustments (Issue of Bonus Shares)	-	(642.93)	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>	<b>642.93</b>
<b>Retained Earning</b>			
Opening Balance	540.59	454.77	450.27
Add: Profit for the year	149.39	132.84	-
Add: NCI's Portion in loss of Subsidiary	0.08	-	-
Less: Adjustments for Bonus Issue	-	(47.02)	-
Less: Adjustments for Fair Value conversion	-	-	4.49
<b>Closing Balance</b>	<b>690.06</b>	<b>540.59</b>	<b>454.77</b>
<b>Other Comprehensive Income</b>			
Opening Balance	-	-	-
Add: Profit for the year	4.26	-	-
Less: Adjustments	-	-	-
<b>Closing Balance</b>	<b>4.26</b>	<b>-</b>	<b>-</b>
<b>TOTAL ₹ :</b>	<b>694.32</b>	<b>540.59</b>	<b>1,097.70</b>

#### 13.2 Nature and purpose of other reserves

1) **Securities Premium:**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

2) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

3) **Other Comprehensive Income:**

The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

#### 14 Borrowings:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Secured Borrowing:</b>			
<b>From Banks</b>			
Term Loans	69.33	96.40	136.78
<b>TOTAL ₹ :</b>	<b>69.33</b>	<b>96.40</b>	<b>136.78</b>

#### 14.1 Principal Terms and Conditions of Long Term Borrowings :

a). All Bank Term Loans are secured against Equitable mortgage of properties as:-

- 1) Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad-382330 in the name of Mr. Kapoor Chand Garg
- 2) Plot No. 625, Phase-4, , GIDC Estate Naroda, Ahmedabad-382330, in the name of Latteys Industries Ltd.

#### 14.2 Secured borrowings and assets pledged as security

- 1) The Company has borrowed funds from Banks and financial institutions. The borrowed funds are utilised for the specific purpose for which it was taken.
- 2) #REF!
- 3) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

4) The amount payable during the next 12 months, disclosed under the head 'Current Borrowings' (Note No. 18)

#### 15 Lease Liability

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Lease Liability Obligation	28.89	11.29	23.39
<b>TOTAL ₹ :</b>	<b>28.89</b>	<b>11.29</b>	<b>23.39</b>

#### 16 Other financial liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Unsecured</b>			
Security Deposits	5.56	5.07	4.62
Interest Payable on Security Deposit	-	-	-
<b>TOTAL ₹ :</b>	<b>5.56</b>	<b>5.07</b>	<b>4.62</b>

#### 17 Non-current liabilities - Provision:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Provision for Employee Benefits</b>			
Gratuity	33.70	24.48	15.63
<b>TOTAL ₹ :</b>	<b>33.70</b>	<b>24.48</b>	<b>15.63</b>

1) Refer provision for employee benefits note no. 36

#### 18 Financial liabilities - Borrowings:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Secured : Loans Repayable on Demand</b>			
From Bank	1,525.85	1,078.75	970.95
<b>Unsecured</b>			
From Others	0.25	-	-
<b>Current Maturities of Long Term Debts</b>	65.29	55.91	114.74
<b>TOTAL ₹ :</b>	<b>1,591.39</b>	<b>1,134.66</b>	<b>1,085.69</b>

1) \* Cash Credit Limit of Rs. 12 Cr for Working capital needs of the company and Primarily secured against Stock and Debtors, Collateral Properties are

1) Plot No. 16, Phase 1/2, GIDC Estate, Noroda, Ahmedabad-382330 in the name of Mr. Kapoor Chand Garg

2) Plot No. 625, Phase-4, , GIDC Estate Naroda, Ahmedabad-382330, in the name of Latteys Industries Ltd.

#### 19 Financial liabilities - Trade Payables:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Creditors for Goods</b>			
Payable to MSME	296.10	444.93	471.25
Other than MSME	743.10	817.00	709.76
<b>TOTAL ₹ :</b>	<b>1,039.20</b>	<b>1,261.93</b>	<b>1,181.01</b>

1) Outstanding Balances of Trade Payables as on 31st March, 2024 are taken as certified by management. The same is subject to reconciliation & confirmations.

2) Disclosure as required by the Micro, Small And Medium Enterprises Development Act, 2006

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Principal amount due and remaining unpaid	296.10	444.93
b) Interest paid	-	-

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(Amount in Lakhs)

c) Interest due	-	-
d) Interest accrued and due	-	-
e) Interest due and remaining unpaid	-	-

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(Amount in Lakhs)

3) Trade Payable aging schedule 31-Mar-2024

Particulars	Outstanding For Following Periods From due date of Payment				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
MSME	296.10	-	-	-	296.10
Other	737.67	5.20	-	0.22	743.10
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other	-	-	-	-	-
<b>Subtotal</b>	<b>1,033.77</b>	<b>5.20</b>	<b>-</b>	<b>0.22</b>	<b>1,039.20</b>
MSME undue	-	-	-	-	-
Other undue	-	-	-	-	-

4) Trade Payable aging schedule 31-Mar-2023

Particulars	Outstanding For Following Periods From due date of Payment				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
MSME	444.93	-	-	-	444.93
Other	810.70	0.72	0.82	4.76	817.00
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other	-	-	-	-	-
<b>Subtotal</b>	<b>1,255.63</b>	<b>0.72</b>	<b>0.82</b>	<b>4.76</b>	<b>1,261.93</b>
MSME undue	-	-	-	-	-
Other undue	-	-	-	-	-

5) Trade Payable aging schedule 01-Apr-2022

Particulars	Outstanding For Following Periods From due date of Payment				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
MSME	471.25	-	-	-	471.25
Other	701.83	7.93	-	-	709.76
Disputed dues - MSME	-	-	-	-	-
Disputed dues - other	-	-	-	-	-
<b>Subtotal</b>	<b>1,173.08</b>	<b>7.93</b>	<b>-</b>	<b>-</b>	<b>1,181.01</b>
MSME undue	-	-	-	-	-
Other undue	-	-	-	-	-

20 Other financial liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Payable to Employees	32.26	34.24	16.93
Payable for Expenses	3.20	3.20	3.20
Sundry Creditors for Expenses	88.73	38.04	69.17
Interest Accrued but Not Due*	0.09	0.06	1.34
<b>TOTAL ₹ :</b>	<b>124.28</b>	<b>75.53</b>	<b>90.65</b>

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 21 Current Provisions:

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Provision for Gratuity	0.58	0.48	0.28
<b>TOTAL ₹ :</b>	<b>0.58</b>	<b>0.48</b>	<b>0.28</b>

1) Refer provision for employee benefits note no. 36

#### 22 Current Tax Liabilities (Net)

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
<b>Current Tax Liabilities</b>			
Provision of Income tax (Net of Advance Tax and TDS)	22.52	18.28	30.90
<b>TOTAL ₹ :</b>	<b>22.52</b>	<b>18.28</b>	<b>30.90</b>

#### 23 Other current liabilities

Particulars	As at 31-Mar-24	As at 31-Mar-23	As at 01-Apr-22
Advance from Customers	92.48	67.95	42.62
Payable to Government	28.27	4.55	6.48
<b>TOTAL ₹ :</b>	<b>120.75</b>	<b>72.49</b>	<b>49.10</b>

#### 24 Revenue From Operations:

Particulars	For the Year 2023-24	For the Year 2022-23
Revenue from Operations	5,586.98	3,184.57
Export sales	764.91	2,063.37
	<b>6,351.89</b>	<b>5,247.94</b>
Other Operating Incomes	12.72	45.73
<b>TOTAL ₹ :</b>	<b>6,364.61</b>	<b>5,293.67</b>

#### 25 Other Income:

Particulars	For the Year 2023-24	For the Year 2022-23
Foreign Exchange Fluctuation Gain/(Loss)	6.48	45.79
Interest Income	0.42	1.47
Rent Income	24.05	24.00
Miscellaneous Income	0.05	0.14
<b>TOTAL ₹ :</b>	<b>31.00</b>	<b>71.41</b>

#### 26 Cost of Material Consumed

Particulars	For the Year 2023-24	For the Year 2022-23
<b>Inventory at the Start</b>		
Raw Material	1,599.31	1,355.15
<b>Add: Purchases during the Year</b>	<b>4,477.87</b>	<b>3,728.84</b>
	<b>6,077.18</b>	<b>5,083.99</b>
<b>Less: Inventory at the end</b>		
Raw Material	(1,243.05)	(1,599.31)
<b>TOTAL ₹ :</b>	<b>4,834.13</b>	<b>3,484.68</b>

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(Amount in Lakhs)

#### 27 Changes in Inventories:

Particulars	For the Year 2023-24	For the Year 2022-23
<b>At the beginning of the year:</b>		
Stock of Finished Goods and WIP	455.68	984.84
	<b>455.68</b>	<b>984.84</b>
<b>At the end of the year:</b>		
Stock of Finished Goods and WIP	(829.50)	(455.68)
	<b>(829.50)</b>	<b>(455.68)</b>
<b>TOTAL ₹ :</b>	<b>(373.81)</b>	<b>529.16</b>

#### 28 Employee Benefit Expense:

Particulars	For the Year 2023-24	For the Year 2022-23
Bonus Expenses	9.94	6.48
Provident fund/ Employee State Insurance And Labour Welfare Fund	7.33	6.42
Director's Remuneration	38.40	38.40
Gratuity Expense	15.08	10.20
Salary & Wages Expenses	478.98	382.78
Staff Welfare Expenses	7.04	6.31
<b>TOTAL ₹ :</b>	<b>556.78</b>	<b>450.59</b>

#### 29 Finance Cost:

Particulars	For the Year 2023-24	For the Year 2022-23
Interest to Banks	129.96	88.90
Interest on Lease Liability	3.63	1.62
Other Interest Expenses	3.64	6.72
Bank Charges & Processing Charges	29.00	32.22
<b>TOTAL ₹ :</b>	<b>166.23</b>	<b>129.46</b>

#### 30 Depreciation Expense

Particulars	For the Year 2023-24	For the Year 2022-23
Depreciation on Tangible Assets	124.17	105.95
Amortization on Intangible Assets	-	-
Amortization on ROU Assets	19.68	18.29
<b>TOTAL ₹ :</b>	<b>143.85</b>	<b>124.24</b>



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(Amount in Lakhs)

#### 31 Other Expenses:

Particulars	For the Year 2023-24	For the Year 2022-23
<b>Manufacturing Expenses</b>		
Consumable Stores Expenses	42.34	47.57
Freight Expenses	12.25	13.78
Import Duty Expenses	27.99	8.48
Job Work Expenses	130.88	59.98
Other Manufacturing Expenses	29.44	9.08
Power & Fuel Expenses	57.40	30.83
Rate Difference in Purchase & Sale	(13.72)	(9.84)
Tools & Die Expenses	29.20	28.70
	<b>315.78</b>	<b>188.56</b>
<b>Selling and Distribution Expenses</b>		
Advertisement Expenses	8.52	4.06
Commission & Incentives Expenses	16.78	12.50
Discount and Scheme on Sales	33.57	15.58
Freight Outward Expenses	63.80	70.53
Sale Promotion Expenses	11.33	14.42
	<b>134.00</b>	<b>117.10</b>
<b>Other Expenses</b>		
Conveyance Expenses	13.40	17.02
Insurance Expenses	2.89	1.79
Legal & Professional Expenses	17.74	24.86
Membership Fees, Licence Fees & Subscription Charges	23.96	7.92
Miscellaneous Expenses	4.92	5.59
Office Expenses	8.42	9.61
Postage & Courier Expenses	1.28	1.28
Printing & Stationery Expenses	3.08	2.06
Rates and Taxes Expenses	12.18	2.48
Rent Expenses	11.83	13.53
Repair & Maintenance	240.28	37.72
Sundry Balances Written Off	1.28	0.11
Telephone Expenses	1.03	0.77
Tender related Expenses	5.53	0.51
Travelling Expenses	52.50	33.33
Water Expenses	1.36	0.72
	<b>401.69</b>	<b>159.28</b>
<b>TOTAL ₹ :</b>	<b>851.47</b>	<b>464.93</b>

#### 31.1 Payment to Auditor :-

Particulars	For the Year 2023-24	For the Year 2022-23
For Statutory Audit	2.00	2.00
For Tax Audit	0.80	0.80
For Internal Audit	0.40	0.40
<b>TOTAL ₹ :</b>	<b>3.20</b>	<b>3.20</b>

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### Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

#### 32 Exceptional items

Particulars	For the Year 2023-24	For the Year 2022-23
Prior Period Expenses	9.58	1.09
Loss/ (Profit) on Sale of Fixed Assets/Investments	4.53	(0.52)
<b>TOTAL ₹ :</b>	<b>14.11</b>	<b>0.57</b>

#### 33 Tax expenses

Particulars	For the Year 2023-24	For the Year 2022-23
Current tax	62.07	57.00
Deferred tax	(8.30)	(10.65)
Tax adjustment of earlier years	(0.31)	2.25
MAT Credit utilized/(Receivable)	-	-
<b>TOTAL ₹ :</b>	<b>53.47</b>	<b>48.60</b>

#### 34 Earning Per Share :

Particulars	For the Year 2023-24	For the Year 2022-23
Basic Earning Per Share	0.26	0.23
Diluted Earning Per Share	0.26	0.23
Nominal Value Per Share	Rs. 2.00	Rs. 2.00

Earning Per share is calculated by dividing the Profit/(Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

Particulars	For the Year 2023-24	For the Year 2022-23
Profit / (Loss) after taxation	149.39	132.84
Net Profit / (Loss) attributable to Equity	149.39	132.84
Number of shares at the beginning of the year	57,495,825	57,495,825
Number of shares allotted during the year (Previous Year shares allotted as Bonus Shares)	-	-
Number of shares at the end of the year	57,495,825	57,495,825
<b>Weighted Average Number of shares outstanding during the year</b>	<b>57,495,825</b>	<b>57,495,825</b>

#### 35 Capital Commitments and Contingent Liabilities:

##### A. Contingent Liabilities:

\* As per the Management representation considering the trend in the Submersible Pump Industry and verbal agreements between the company and Creditors the payment terms are 90 days to 120 days normally, therefore company neither Paid any interest to creditors nor made any Provision, However as per MSME Act Sundry Creditors more than 15 days (Considered only whoes MSME Certificates are received by the company ) are Rs. 2,96,09,794/- and considering fifteen days grace period calculated Interest to MSME is Rs. 51,85,860/-.

\* There is demand outstanding on the income tax portal for AY 2020-21, Rs. 30,24,455/- (including accrued interest) and for AY 2018-19, Rs. 3,03,740/- (including accrued interest) however management disagree with the demand and reply is filed with the IT department, reply awaited.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

At officer level the decision was not in favour of the company, therefore, the company has appealed in Commissioner of appeal. Therefore, the company has recognised

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(Amount in Lakhs)

it as contingent liabilities.

**B. Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, Rs. NIL Lakhs (previous year Rs. NIL Lakhs).

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#### 36 Disclosures Regarding Employee Benefits

As per Indian Accounting Standard 19 "Employee Benefits" the disclosures are given below:

##### 1). Defined Contribution Plan:

Contribution to defined contribution plan, recognised as expense for the year is as under:

Particulars	For the Year 2023-24	For the Year 2022-23
Employers contribution to provident fund	7.33	6.42
<b>TOTAL ₹ :</b>	<b>7.33</b>	<b>6.42</b>

**1) Defined Contribution Plan:** Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organisation established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.

**2) Defined Benefit Plan:** Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

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(Amount in Lakhs)

### 37 First time adoption of Ind AS

#### Transition to Ind AS

These are the Company's first financial statement prepared in accordance with Ind AS.

#### 37.1 Exemptions and exceptions availed

The accounting policies set out in Note 1, have been applied in preparing the financial statements for the period ended March 31, 2023, the comparative information presented in these financial statements for the year ended March 31, 2024 and in the preparation of opening Ind AS balance sheet as at April 1, 2022. In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

#### Ind AS optional exemptions cost

**Deemed cost:-** Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment, Intangible Assets, Investment property, and Investment in subsidiaries / joint venture / associates, as recognised in the financial statements as at the date of transition to Ind AS, measured as for the previous GAAP and use that as its deemed cost as at date of transition after making necessary adjustments for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values as at April 1, 2022.

#### 37.2 Ind AS mandatory exeptions

##### De-recognition of financial assets and liabilities:-

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

##### Classification and measurement of financial assets:-

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date transition to Ind AS.

##### Impairment of financial assets:-

An entity shall determine the approximate credit risk at the date that financial instruments were initially recognized and compare that to the credit risk at the date of transition to Ind. This should be based on reasonable and supportable information that is available without undue cost or efforts. If any entity is unable to make this determination without undue cost or effort, it shall recognise a loss allowance at an amount equal to lifetime expected credit losses at each reporting date untill that financial instrument is de-recognised. The Company has this exception to analyse credit risk of the financial assets as the date of transition instead of the date of initial recognition.

### 38 Financial Instruments and Risk Review

#### i) Capital Management

The company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's Board of directors reviews the capital structure on a regular basis. As part of this review, the board considers the cost of capital risk associated with each class of capital requirements and the maintenance of adequate liquidity. Consistent with others in the industry, The Company monitors capital based on the following gearing ratio:

Net debt (total borrowings and lease liabilities net of cash and cash equivalents and deposits with Banks and Financial Institutions) divided by Total 'equity' (as shown in the balance sheet).

The current gearing ratio of the group is as follows:

Particulars	As at 31-Mar-24	As at 31-Mar-23
Equity Share Capital	1,149.92	1,149.92

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(Amount in Lakhs)

Other Equity	694.32	540.59
<b>Total Equity</b>	<b>1,844.23</b>	<b>1,690.51</b>
Interest-bearing loans and borrowings	1,660.72	1,231.06
Less: Cash & Cash Equivalent	7.93	7.06
Less: Bank balances other than above	-	-
<b>Net Debt</b>	<b>1,652.79</b>	<b>1,224.00</b>
<b>Gearing Ratio</b>	<b>0.90</b>	<b>0.72</b>

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#### Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note provided hereunder :

#### 39 Fair Value Measurement

##### 1) Categories of Financial Instruments:

Particulars	As at 31-Mar-24	As at 31-Mar-23
<b>A. Financial Assets</b>		
<b>i. Measured at Amortised Cost</b>		
1) Trade Receivables	1,661.17	1,276.16
2) Cash & Cash Equivalents	7.93	7.06
3) Loans	14.56	15.68
4) Other Financial Assets	137.13	42.97
5) Other Current Assets & Tax Assets	50.65	258.99
<b>ii. Measured at FVTPL</b>		
1) Loans	-	-
<b>B. Financial Liabilities</b>		
<b>i. Measured at Amortised Cost</b>		
1) Borrowings	1,591.39	1,134.66
2) Trade Payables	1,039.20	1,261.93
3) Other Current Liabilities	120.75	72.49
4) Other Non-Current Liabilities	-	-
<b>ii. Measured at FVTPL</b>		
1) Borrowings	69.33	96.40

##### 2) Fair value hierarchy:

This note provides information about how the Company determines fair values of various financial assets. Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required). Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

##### 2) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- a) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- b) the use of quoted market prices or dealer quotes for similar instruments

##### 3) The carrying amounts of trade receivables, trade payables, dealer deposits, cash and bank balances, deposits, loans, borrowings and other current financial liabilities and financial assets are considered to be the same as their fair values, due to their short-term nature. The fair values for long term loans to others and long term borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. The security deposits are receivable on demand and hence their carrying amount is considered as fair value.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### 40 Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

#### Market Risk

Market risk is the risk of uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are price risk and interest rate. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

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#### Interest Rate Risk

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.



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#### Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Due in 1 Year	Due after 1 Year	Total
<b>As at 31<sup>st</sup> March, 2024</b>			
Borrowings	1,591.39	69.33	<b>1,660.72</b>
Trade Payables	1,039.20	-	<b>1,039.20</b>
Other Current Liabilities	120.75	-	<b>120.75</b>
<b>Total</b>	<b>2,751.34</b>	<b>69.33</b>	<b>2,820.67</b>
<b>As at 31<sup>st</sup> March 2023</b>			
Borrowings	1,134.66	96.40	<b>1,231.06</b>
Trade Payables	1,261.93	-	<b>1,261.93</b>
Other Financial Liabilities	72.49	-	<b>72.49</b>
<b>Total</b>	<b>2,469.09</b>	<b>96.40</b>	<b>2,565.48</b>

#### Trade Receivables:

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

Particulars	Due in 1 Year	1 year - 3 year	More than 3 Years	Total
<b>As at 31<sup>st</sup> March, 2024</b>				
1) Trade Receivables	1,661.17	-	-	1,661.17
2) Cash & Cash Equivalents	7.93	-	-	7.93
3) Loans	14.56	-	-	14.56
4) Other Financial Assets	51.62	136.16	-	187.78
5) Investments	-	-	-	-
<b>Total</b>	<b>1,735.28</b>	<b>136.16</b>	<b>-</b>	<b>1,871.44</b>
<b>As at 31<sup>st</sup> March 2022</b>				
1) Trade Receivables	1,276.16	-	-	1,276.16
2) Cash & Cash Equivalents	7.06	-	-	7.06
3) Loans	15.68	-	-	15.68
4) Other Financial Assets	260.24	41.73	-	301.97
5) Investments	-	-	-	-
<b>Total</b>	<b>1,559.14</b>	<b>41.73</b>	<b>-</b>	<b>1,600.87</b>

#### 41 Related Party Disclosures:

##### 41.1 Related Parties & their Relationship

As per IND AS 24, the disclosures of transactions with the related parties are given below:

i) List of Related parties where control exists and related parties with whom transactions have taken place and relationships:

a). Key Managerial Personnel:

b). Relatives of Key Managerial Personnel:

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(Amount in Lakhs)

- |                       |                     |
|-----------------------|---------------------|
| (i) Kapoor Chand Garg | (i) Harish Aggarwal |
| (ii) Pawan Garg       | (ii) Seema Aggarwal |

**c). Associate Concerns/ Entities in which KMP/ Relative of KMP have Significant Influence:**

- (i) Fortune Telenet Pvt Ltd

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(Amount in Lakhs)

#### 41.2 Transactions with Related Parties

Sr. No.	Nature of Transaction	Name of Related Party	Amount in Lakhs	
			2023-2024	2022-2023
1	Director Remuneration	Kapoor Chand Garg	19.20	19.20
		Pawan Garg	19.20	19.20
2	Rent Paid	Kapoor Chand Garg	18.00	9.00
		Pawan Garg	2.22	2.22
3	Commission Paid	Harish Aggarwal	6.68	3.62
		Seema Aggarwal	6.68	8.62
4	Investment	Latteys Electricals Private Limited	0.51	-
5	Loans Taken	Pawan Garg	-	15.10

#### 42 Statement of Significant Ratios

Particulars	Numerator/Denominator	For the Year 2023-24	For the Year 2022-23	Variance (%)	Reason
a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current liabilities}}$	1.31	1.43	-8.39%	-
b) Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$	0.90	0.73	23.29%	-
c) Debt-Service Coverage Ratio	$\frac{\text{Earning before Interest and Tax}}{\text{Interest Expense + Principal Repayments made during the Year for Long Term Loans}}$	1.73	1.28	35.16%	Note No. 01
d) Return on Equity Ratio	$\frac{\text{Profit after tax (Attributable to Owners)}}{\text{Average Net Worth}}$	8.00%	8.00%	0.00%	-
e) Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories}}$	1.17	0.79	48.10%	Note No. 02
f) Trade Receivable Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Average Trade Receivable}}$	4.33	5.13	-15.59%	-
g) Trade Payable Turnover Ratio	$\frac{\text{Cost of Materials Consumed}}{\text{Average Trade Payable}}$	4.20	2.85	47.37%	Note No. 03
h) Net Capital Turnover Ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	7.00	4.84	44.63%	Note No. 04
i) Net Profit Ratio	$\frac{\text{Profit After Tax (after exceptional items)}}{\text{Total Turnover}}$	2.00%	3.00%	-33.33%	Note No. 05
j) Return on Capital Employed	$\frac{\text{Net Profit After Tax + Deferred Tax + Finance Cost (-) Other Income}}{\text{Total Turnover}}$	8.00%	6.00%	33.33%	Note No. 06

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## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

Employee

Average Capital Employed

### Notes related to Ratio:

- 1). There is an increase in Earning available for Debt Service by 23.03% and a decrease in interest and principal repayments value by 9.04%.
  - 2). There is an increase in the Cost of Goods sold by 38.73% and a decrease in Average Inventory by 6.09%.
  - 3). There is an increase in the Cost of Material Consumed by 38.73% and a decrease in Average Trade Payables by 5.81%.
  - 4). There is an increase in the Turnover by 20.23% and a decrease in Net Working Capital by 8.30%.
  - 5). There is an increase in the Turnover and Net Profit by 20.23% and 16.83%, respectively.
  - 6). There is an increase in the Operating Profit and Average Capital Employed by 53.39% and 19.98%, respectively.
- 43** Certain Balance of Debtors, Creditors, Loans & Advances for Capital expenditures are non- moving / sticky . However in view of the management, the same is recoverable / payable. Hence no provision for the same is made in the books of accounts.
- 44** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.
- 45** The balance confirmation from the suppliers, customers as well as to various loans or advances given have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, trade payables as well as loans and advances have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties.
- 46** Previous year's figures have been regrouped and rearranged wherever necessary.
- 47 Segment Reporting**  
The Company has a geographical segment other than Domestic area, however management consider the same as one segment only. Therefore, Segment Reporting is not provided.
- 48 Benami Transactions**  
There is no proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 49 Wilful Defaulter**  
The Company has not been declared wilful defaulter by any bank or financial institutions or other lender.
- 50 Transactions with Struck off Companies**  
As stated & Confirmed by the Board of Directors ,The Company has not under taken any transactions nor has outstanding balance with the Company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.
- 51 Satisfaction of Charge/Creation of Charge**  
There is no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- 52 Number of Layers of Subsidiary**  
The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017.
- 53 Undisclosed Transactions**  
As stated & confirmed by the Board of Directors, The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

# Latteys Industries Limited

(Plot No. 16, Phase - 1/2, GIDC Estate, Naroda, Ahmedabad, Gujarat, India - 382330)

## Consolidated Statement of Accounting Policies and Notes forming Part of Accounts

(Amount in Lakhs)

### 54 Loan or Investment to Ultimate Beneficiaries

As stated & Confirmed by the Board of Directors, The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

### 55 Loan or Investment from Ultimate Beneficiaries

As stated & Confirmed by the Board of Directors, The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

### 56 Utilization of Term Loans

The Company has applied term loans for the purpose for which the same was obtained during the year.

### 57 Working Capital

The Company has been sanctioned working capital limits from a bank on the basis of security of the current assets. Quarterly returns or statements filed by the Company with such bank are not in agreement with the books of accounts.

### 58 Crypto Currency

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

Notes referred to herein above form an integral part of the Financial Statements

In terms of our report of even date.

For K. N. Gutgutia & Company  
Chartered Accountants  
F.R.No :- 034153E

For and on behalf of Board of Directors

Sd/-  
CA B. R. Goyal  
Partner  
M.No :- 012172  
UDIN : 24012172BJZZEA2047

Sd/-  
Kapoor Chang Garg  
Managing Director  
DIN: 00434621

Sd/-  
Pawan Garg  
Director  
DIN: 00434836

Place :- Delhi  
Date :- 30th May, 2024

Sd/-  
Sumit Goel  
Chief Financial Officer

Sd/-  
Sonika Jain  
Company Secretary



# LATTEYS INDUSTRIES LIMITED

Plot No. 16, Phase 1/2, GIDC Estate, Naroda, Ahmedabad-382330, Gujarat

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