

**KAYNES INTERNATIONAL DESIGN & MANUFACTURING
PRIVATE LIMITED**

CIN: U74999KA2018PTC118692

Reg office: 23-25, Belagola Food Industrial Estate,

Metagalli P O, Mysore KA 570016 IN

Email ID: ramesh_kannan@kaynestechology.net

Tel No: +91 821 4280259

NOTICE

Notice is hereby given that the 03rd Annual General Meeting of the members of Kaynes International Design & Manufacturing Private Limited will be held at Shorter Notice on Monday, 29th November, 2021 at 01.30 PM at its registered office of the Company situated at 23-25, Belagola Food Industrial Estate Metagalli P O, Mysore KA 570016 IN to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1:

ADOPTION OF FINANCIAL STATEMENTS AND REPORTS:

To consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2021 and the reports of the Auditors and Board of Directors thereon and in this regard, pass the following resolutions, with or without modification(s), as Ordinary Resolutions:

- (a) **“RESOLVED THAT** the audited financial statements of the Company for the financial year ended 31st March, 2021 and the reports of the Auditors and Board of Directors thereon laid before this meeting, be and are hereby considered and adopted.”

ITEM NO. 2:

APPOINTMENT OF M/s K P RAO & CO, CHARTERED ACCOUNTANTS (FRN: 0031355) AS AUDITORS OF THE COMPANY TO FILL THE CASUAL VACANCY:

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

"RESOLVED THAT pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with the rules made there under including any modifications or re-enactment thereof for the time being in force consent of the members of the Company be and is here by accorded to appoint M/s. K P Rao & Co, Chartered Accountants, Chartered Accountants having Firm Registration No: 003135S as Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of M/s. Varma and Varma, (Firm Registration No. 004532S), Chartered Accountants."

"RESOLVED FURTHER THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. K P Rao & Co, Chartered Accountants (Firm Registration No. 003135S), shall hold office as the Statutory Auditor of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of Eighth Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company, in addition to the re-imbursment of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively".

"RESOLVED FURTHER THAT the Board of Directors, be and are hereby severally authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Statutory Auditors."

"RESOLVED FURTHER THAT Mr. Ramesh Kunhikannan, Director (DIN: 02063167) and Mr. Sajan Anandaraman, (08713250) Director of the Company be and are hereby severally authorised, on behalf of the Company, to file necessary E-Forms/returns with the Registrar of Companies and to do all acts, deeds, matters and things as deem necessary for the purpose of giving effect to the aforesaid resolution."

By order of the Board
For **Kaynes International Design & Manufacturing Private Limited**



Ramesh Kunhikannan
Director
DIN: 02063167



Date: 18th November, 2021
Place: Mysore

NOTES:

1. Relevant documents with respect to business transactions can be inspected at the Registered Office of the Company.
2. A person entitled to attend the meeting is also entitled to appoint the Proxy to attend and vote at the meeting instead of himself. A proxy need not be the Member of the Company.
3. Pursuant to the Provisions of sections 105 of Companies Act, 2013 read with the applicable rules thereon, person can act as proxy on behalf of the members not exceeding Fifty and holding in aggregate not more than 10% of the share capital of the Company carrying voting rights, may appoint a single person as Proxy, who shall not act as Proxy of any other Member.
4. Proxy form in order to be valid must be lodged with the Company at least 48 hours before the Commencement of the meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement

[Pursuant to Section 102(2) of the Companies Act, 2013]

ITEM NO.2:

The Members of the Company at the 2nd Annual General Meeting ('AGM') held on 20th September, 2019 approved the appointment of M/s. Varma & Varma, Chartered Accountants, Bangalore having FRN No. 004532S, as the Auditors of the Company for a period of five years from the conclusion of the said AGM till the Sixth Annual General Meeting to be held on or before 30 September 2024. However, M/s. Varma & Varma, Chartered Accountants, Bangalore have expressed their inability to continue as Statutory Auditors and have resigned from their position as Statutory Auditors.

The Board of Directors of the Company ('the Board'), recommends for the approval of the Members, the appointment of M/s. K.P. RAO & CO, Chartered Accountants, Bangalore, as the Statutory Auditors for a period of five years from the conclusion of this AGM till the conclusion of the 08th AGM at a remuneration to be fixed by the audit committee and/or Board of Directors of the company, in addition to the reimbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively in place of resigning Auditors M/s. Varma & Varma, Chartered Accountants, Bangalore of the Company.

The Board considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. K.P. RAO & CO, Chartered Accountants, Bangalore, to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. K.P. RAO & CO, Chartered Accountants, Bangalore, have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, are interested in this Resolution.

The Board recommends this Resolution for your approval.



FORM NO. MGT-11 PROXY FORM

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]*

CIN: U74999KA2018PTC118692

Name of the Company: **KAYNES INTERNATIONAL DESIGN & MANUFACTURING
PRIVATE LIMITED**

Registered Office: 23-25, Belagola, Food Industrial Estate Metagalli P O MYSORE
Mysore KA 570016 IN

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID: NA

I/We, being the member (s) holding shares of the above named company,
hereby appoint

1. Name:

Address:

E-mail Id:

Signature:..... or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:..... or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 03rd Annual General Meeting of the Company, to be held at Shorter Notice on Monday, 29th November, 2021 at 01.30 PM IST at the Registered Office of the Company at 23-25, Belagola Food Industrial Estate Metagalli P O, Mysore KA 570016 IN and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

Sl. No.	RESOLUTIONS	VOTE	
		For	Against
1.	Adoption of Audited financial statements		
2.	Appointment of M/S K P Rao & Co, Chartered Accountants (FRN: 003135S) as Auditors of the Company to fill the Casual Vacancy		

Signed this..... day of..... 2021

Signature of shareholder

**AFFIX
REVENUE
STAMP**

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

CIN: U74999KA2018PTC118692

Name of the Company: KAYNES INTERNATIONAL DESIGN & MANUFACTURING
PRIVATE LIMITED

Registered Office: 23-25, Belagola Food Industrial Estate Metagalli P O, Mysore KA
570016 IN

Members attending the Meeting in person or by Proxy or as Authorized Representatives are requested to complete this attendance slip and hand it over at the entrance of the Meeting hall.

I hereby record my presence at the 03rd Annual General Meeting (AGM) of KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED at the registered office of the company at 23-25, Belagola Food Industrial Estate Metagalli P O Mysore KA 570016 IN at Shorter Notice on Monday, 29th November, 2021 at 01.30 P.M.

Full name of the Shareholder:

Signature

Folio No.:

Full name of Proxy/Authorized Representative:

Signature of Proxy/Authorized Representative:

(In capital letters)

Note: Shareholder/Proxy holder/Authorized Representative desiring to attend the Meeting should bring his copy of the Annual Report to the Meeting.

ROUTE MAP FOR VENUE OF THE MEETING



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED

CIN: U74999KA2018PTC118692

Reg. office: 23-25, Belagola, Food Industrial Estate Metagalli P O MYSORE Mysore KA
570016 IN

E-mail: ramesh_kannan@kaynestechology.net

Ph: +91 821 4280259

DIRECTORS' REPORT

To the Members,

The Directors present the **03rd Annual Report** of Kaynes International Design & Manufacturing Private Limited along with the audited financial statements for the financial year ended on March 31, 2021.

FINANCIAL HIGHLIGHTS:

PARTICULARS	2020-21 (Amount in Rs.)	2019-20 (Amount in Rs.)
Sale and Other Income	32,36,06,010	11,26,96,027
Expenditure	27,84,30,467	10,22,31,955
Earnings before interest, tax, depreciation and amortisation (EBITDA)	4,85,45,310	1,16,82,750
Finance Cost	32,06,325	1103661
Depreciation	1,63,442	115017
Profit Before Tax	4,51,75,543	10464072
Tax Expense	1,20,38,164	30,10,436
Profit After Tax	3,31,37,379	74,53,636
Earnings Per share	210.35	47.96

REVIEW OF PERFORMANCE

Your Directors wish to present the details of Business operations done during the year under review:

During the year 2020-21, Your Company has earned total revenue of Rs. 31,76,26,780 /- and made a net profit of Rs. 3,31,37,379/- as against profit of Rs. 74,53,636/- in the Previous Financial Year 2019-20.

Your Directors hope to enhance the business performance of the Company in the forthcoming financial year too.

CONSOLIDATED FINANCIAL STATEMENTS AND SUBSIDIARY

Since the company do not have any subsidiary, hence Consolidated Financial Statements not applicable for the company.

DIVIDEND

During the year, under review the company did not declare any dividend for financial period 2020-21.

TRANSFER TO GENERAL RESERVES

The Company has not transferred any amount to the General Reserves during the period under report.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems to ensure operational efficiency, accuracy and promptness in financial report and compliance of various laws and regulations.

The internal control system is supported by the Internal Audit (IA) process. The IA department evaluates the efficacy and adequacy of Internal Control system, its compliance with operating systems and policies of the Company and accounting procedures at all locations of the Company.

Based on the report of IA function, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Board.

SUBSIDIARY COMPANIES

Company does not have any subsidiaries as mentioned u/s 2(87) (i) and (ii) of Companies Act, 2013 as on 31st March, 2021.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- I. In the preparation of the annual accounts for the year ended 31 March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. For the financial year ended 31 March 2021, 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 for that period;
- III. 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;

- IV. The directors had prepared the annual accounts for the financial year ended 31 March 2021, on a going concern basis; and
- V. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal and statutory auditors and external consultants and the reviews performed by the management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date, the Board of Directors comprises of the following:

Particulars	MR. RAMESH KUNHIKANNAN	MS. SAVITHA RAMESH	MR. SAJAN ANANDARAMAN
Designation	Director	Director	Director
Nature of employment, whether contractual or otherwise.	Permanent	Permanent	Permanent
Other terms and conditions.	None	None	None
Qualifications and experience of the employee.	BE	BA	B Tech in E&E
Date of commencement of employment.	21-11-2018	21-11-2018	02-03-2020
The age of the employee.	54 Years	46 Years	51 Years
The percentage of equity shares held by the employee in the company within the meaning of sub-clause (iii) of clause (a) of sub-section (2A) of section 217 of the Companies Act, 2013.	0.01%	NA	NA

DETAILS OF BOARD MEETINGS

During the year under review, the board met 05 (Five) times during the financial year on following days:

1. 28th May 2020
2. 01st September, 2020
3. 15th December, 2020
4. 11th January, 2021
5. 10th March, 2021

The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

STATUTORY AUDITORS

The Members of the Company at the 1st Annual General Meeting ('AGM') held on 20th September, 2019 approved the appointment of M/s. Varma & Varma, Chartered Accountants, Bangalore having FRN No. 004532S, as the Auditors of the Company for a period of five years from the conclusion of the said AGM till the Sixth Annual General Meeting to be held on or before 30 September 2024. However, M/s. Varma & Varma, Chartered Accountants, Bangalore have expressed their inability to continue as Statutory Auditors and have resigned from their position as Statutory Auditors.

The Board of Directors of the Company ('the Board'), recommends for the approval of the Members, the appointment of M/s. K.P. RAO & CO, Chartered Accountants, Bangalore, as the Statutory Auditors for a period of five years from the conclusion of this AGM till the conclusion of the 8th AGM at a remuneration to be fixed by the audit committee and/or Board of Directors of the company, in addition to the reimbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively in place of resigning Auditors M/s. Varma & Varma, Chartered Accountants, Bangalore of the Company.

The statutory audit report for the year 2020-21 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

SECRETARIAL AUDIT

The provisions of Section 204 of the Companies Act, 2013 do not apply to the Company and hence not required to obtain Secretarial Audit Report.

COST AUDIT

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and Rules made thereunder, do not apply to the company.

INTERNAL FINANCIAL CONTROLS

The Company has maintained adequate internal financial controls as per the provisions of the Companies Act, 2013, with respect to the financial statements 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 would be systematically addressed through mitigating actions on a continuous basis. These are being discussed at the meetings of the Board of Directors of the Company.

As a process, the risks associated with the business are identified and prioritized based on Severity, Likelihood and Effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Process owners are identified for each risk and matrix are developed for monitoring and reviewing the risk mitigation.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company does not fall within the purview of Section 135 of the Companies Act, 2013. The Company therefore, the company is not required to comply with the provisions of Section 135.

DISCLOSURES:

MATERIAL CHANGES AND COMMITMENTS

Board has not reported any material changes and commitments during the financial year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

There are no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status of the Company.

DEPOSITS:

The Company has not accepted any deposit from the shareholders and others within the meaning of Chapter V of the Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31st March 2021 and hence the question of furnishing any details relating to deposits covered under Chapter V of the Act 2013 does not arise.

ANNUAL RETURN:

Extract of Annual Return in the prescribed form is given as **ANNEXURE I** to this report.

DETAILS OF MATERIAL RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in the ordinary course of business and were at arm's length basis. There were no materially significant related party transactions made by the Company during the year with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Since, none of the transactions with related parties falls under the scope of Section 188(1) of the Act, since these transactions are in the ordinary course of business and are on arm's length basis disclosure in Form AOC-2 is not applicable.

For details on Related party transactions, you may refer Notes 30 to financial statements forming part of the Annual Report.

EMPLOYEE'S REMUNERATION:

Your Company being a Private Limited Company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not apply.

DETAILS OF LOANS / GUARANTEES / INVESTMENTS MADE:

The particulars of loans, guarantees and investments have been disclosed in the financial statements. There are no Loans/Guarantees/investments made under section 186 of the Act.

DECLARATION BY INDEPENDENT DIRECTORS

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY

The Company does not have any Risk Management Policy as the elements of Risk threatening the Company's existence is very minimal.

DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

CONSERVATION OF ENERGY

The Company continues to accord priority to energy conservation. Company's 'energy saving' team is committed to minimize the energy consumption and is implementing several energy saving projects. Consistent efforts are being made for identifying potential areas for energy saving.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations require significant import of technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of earnings accrued and expenditure incurred in foreign currency are given in Note 33 of the Notes to the financial statements. The Company continues its efforts to improve its earnings from exports.

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

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

ACKNOWLEDGEMENTS

The Board of Directors wishes to place on record its appreciation for the support given to the Company by the Company's Bankers, Suppliers, Customers, All Government Authorities, etc. Your Directors also wish to express their gratitude to the Staff and Employees of the company for their commitment and dedication to their work.

For and on behalf of
Kaynes International Design & Manufacturing Private Limited

Place: Mysore
Date: 18th November, 2021



Ramesh Kunhikannan
Director
DIN: 02063167



Sajan Anandaraman
Director
DIN: 08713250



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020
Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74999KA2018PTC118692
2.	Registration Date	21/11/2018
3.	Name of the Company	KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
4.	Category/Sub-category of the Company	Private Company Limited by Shares Non-Govt company
5.	Address of the Registered office	23-25, Belagola, Food Industrial Estate Metagalli P O MYSORE Mysore KA 570016 IN
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Other information technology and computer service activities	6209	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- Not applicable

Sl. No.	Name and address of the Company and CIN	Holding/Subsidiary	% of Shares held	Applicable Section
1	Kaynes Technology India Private Limited CIN-U29128KA2008PTC045825	Holding	95.21%	2(46)

Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	7,533	7,533	4.78	-	7,533	7,533	4.78	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	7,533	7,533	4.78	-	7,533	7,533	4.78	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	7,533	7,533	4.78	-	7,533	7,533	4.78	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0	-	-	-	0	-
Grand Total (A+B+C)	-	1,57,533	1,57,533	100	-	1,57,533	1,57,533	100	-

B) Shareholding of Promoter:

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kaynes Technology India Private Limited	1,49,990	95.21	0	1,49,990	95.21	0	0
2	Ramesh Kunhikannan	10	0.01	0	10	0.01	0	0
3	Total	1,50,000	95.22	0	1,50,000	95.22	0	0

C) Change in Promoters' Shareholding (please specify, if there is no change):

Sl No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	1,49,990	95.21%	1,49,990	95.21%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	1,49,990	95.21	1,49,990	95.21

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	MOEHLNHOFF GMBH	3709	2.35%	3709	2.35%
2	BUSINESS GUARDIAN	3824	2.43%	3824	2.43%

E) Shareholding of Directors and Key Managerial Personnel:

Sl No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ramesh Kunhikannan	10	0.01%	10	0.01%

V) INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,00,00,000	0	0	2,00,00,000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
TOTAL (i+ii+iii)	0	0	0	-
Change in Indebtedness during the financial year				
* Addition in principal amount	31,69,358	0	0	31,69,358
* Reduction in principal amount	9,860	0	0	9,860
NET CHANGE	31,59,498	0	0	31,59,498
Indebtedness at the end of the financial year				
i) Principal Amount	2,31,59,498	0	0	2,31,59,498
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
TOTAL (i+ii+iii)	2,31,59,498	-	-	2,31,59,498

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- Not Applicable

A. Remuneration to Executive Directors, Managing Director, Whole-time Directors and/or Manager:

Sl No.	Particulars of Remuneration	Name of Director	Name of Director	Name of Director	Total Amount
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	-	-	-	-

B. Remuneration to Other Directors- Not applicable

Sl No.	Particulars of Remuneration	Name of Directors				Total Amount
		-	-	-	-	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-


C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD: Not applicable

Sl No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For Kaynes International Design & Manufacturing Private Limited.


Ramesh Kunhikannan
Director
DIN- 02063167


Sajan Anandaraman
Director
DIN- 08713250

Place: Mysore

Date: 18th November, 2021

INDEPENDENT AUDITORS' REPORT

To,

The Members,
Kaynes International Design & Manufacturing Private Limited
23-25, Belagola, Food Industrial Estate
Metagalli P O, Mysore,
Karnataka -- 570 016.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. Kaynes International Design & Manufacturing Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31st 2021, and Profit and Loss Statement and the cash flow statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, of the state of affairs of the Company as at March 31, 2021 and its profit and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 other 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 audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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



Chartered Accountants

Our opinion on the 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 Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed we conclude that there is a material misstatement therein, we are required to report that fact. We have read and considered Board of Directors' report and have nothing to report in this regard.

Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

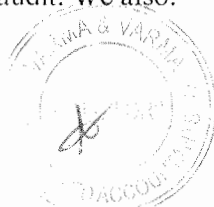
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

Auditor's Responsibility for the Audit of the financial statements

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

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



Chartered Accountants

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in Paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



Chartered Accountants

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Profit and Loss statement, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) As per the notification of the Ministry of Corporate Affairs G.S.R. 464E dated the 5th June 2015 read with amended notification G.S.R. 583(E) dated the 13th June, 2017 the reporting requirement on Internal Financial Control under section 143(3)(i) of the Act is not applicable to the Company since the turnover of the company is less than the prescribed threshold of rupees fifty crores as per last years audited financial statements and the aggregate outstanding borrowings from the banks or financial institutions or anybody corporate at any point of time during the financial year is less than the prescribed threshold rupees twenty five crores.
- 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:
Since Section 197 of the Act is not applicable to the Company being a private limited company, the reporting required as per Section 197(16) is not applicable; and
- 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 does not have any pending litigations which have an impact on its financial position as on 31st March 2021.
- ii. The Company did not have any long-term contracts including derivative contracts from which any foreseeable loss could arise; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For VARMA & VARMA
Chartered Accountants
FRN 004532S


ANEESAN C
Partner

M.No.219131

UDIN: 21219131AAA AER1417

Page 4 of 7

Place: Bangalore

Date : 23-10-2021



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the financial statements of M/s Kaynes International Design & Manufacturing Private Limited for the year ended 31st March, 2021

- (i)
- (a) On the basis of our examination of the records, in our opinion, the Company is maintaining proper records showing full particulars, including quantitative details and situation of plant, property and equipment;
- (b) We are informed that the fixed assets of the Company are not physically verified during this year. In our opinion coverage needs to be improved having regard to the size of the Company and the nature of its business.
- (c) There are no immovable properties which are held in the name of the Company. Hence reporting under Clause 3(i)(c) of Order is not applicable to the company.
- (ii) We are informed that the inventory of raw materials, work in progress and finished goods have been physically verified by the management at reasonable intervals, the frequency of which in our opinion is reasonable. As explained to us material discrepancies were noticed on such verification. No physical verification could be conducted as at the year end.
- (iii) During the year, as informed to us, the Company has not granted any loan secured or unsecured to the parties covered in the register maintained under section 189 of the Companies Act. Hence reporting under clause 3(iii) of the Order is not applicable to the company. Advance for material/services given to holding company in the course of business is not considered as loan for this purpose.
- iv) According to the information and explanations given to us and the records of the Company examined by us the Company has not given any loans, guarantees, investments and securities which falls under the provisions of section 185 and 186 of the Companies Act. Hence reporting under clause 3(iv) of the Order is not applicable to the company. Advance for material/services given to holding company in the course of business is not considered as loan for this purpose.
- (v) The Company has not accepted deposits in accordance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company. Hence provisions of clause 3(v) of the order are not applicable to the company.
- (vi) According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.



Chartered Accountants

(vii)

- (a) According to the information and explanation given to us and as per our verification of the records of the Company, the Company is fairly regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities.

There are no arrears of undisputed statutory dues of material nature outstanding as on the last day of the financial year for a period of more than six months from the date they became payable except the following:

Name of the statute	Nature of Dues	Amount (Rs.)	Period to which issue relates
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	2,20,928	F.Y 2019-20
		1,81,227	F.Y 2020-21
Employees' State Insurance Act, 1948	ESI	55,951	F.Y 2019-20
		21,644	F.Y 2020-21
Professions, Trades, Callings and Employments Act, 1976	Professional Tax	8,800	F.Y 2019-20
		5,400	F.Y 2020-21
Income Tax Act, 1961	Income Tax	72,16,860	FY 2020-21

- (b) According to the information and explanations given to us, there are no dues of Income Tax, VAT, Service Tax, Goods and Service Tax or Duties of Customs or Duties of Excise that have not been deposited on account of any dispute.
- viii) According to information and explanation given to us and as per our verification of the records of the company, the company has not defaulted in repayment of dues to the bank or financial institutions. There are no over dues as at 31st March, 2021. There are no debentures holders and the Company has not availed any loan from Government.
- (ix) As a private company the question on public offer of shares is not applicable to the Company. According to the information and explanation given to us and as per the verification of the records of the Company, the term loans obtained during the year has been applied for the purpose which the loans were obtained.
- (x) According to the information and explanation given to us and the records of the Company examined by us, no frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a Private Limited Company. Accordingly, the reporting requirement under clause (xi) of paragraph 3 of the Order is not applicable to the company.



Varma & Varma

Chartered Accountants

- (xii) In our opinion and according to the information and explanations given to us and The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with sections 188 of the Act where applicable since in view of the management, these transactions have been undertaken on arm's length basis in the ordinary course of business and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. As explained, provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. hence reporting under clause 3(xiv) of the order is not applicable to the company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 451A of the Reserve Bank of India Act, 1934.

For VARMA & VARMA
Chartered Accountants
FRN 004532S



ANEESAN C
Partner
M.No.219131

UDIN: 21219131AAAER1417



Place: Bangalore

Date : 23-10-2021

KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
BALANCE SHEET AS AT

Particulars	Note	31.03.2021 (₹)	31.03.2020 (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share Capital	2	15,75,330	15,75,330
Reserves and Surplus	3	3,93,99,020	62,61,641
		4,09,74,350	78,36,971
Non-Current Liabilities :			
Long term Borrowings	4	31,69,358	-
Long term provisions	5	2,94,437	76,146
		34,63,795	76,146
Current Liabilities :			
Short term Borrowings	6	1,99,90,140	2,00,00,000
Trade payables	7		
- Total outstanding dues of micro and small Enterprises		1,15,69,826	55,80,838
- Total outstanding dues of creditors other than micro and small enterprise		9,40,50,424	3,39,48,354
Other Current Liabilities	8	41,90,573	1,46,70,385
Short term provisions	9	1,37,11,798	32,57,174
		14,35,12,761	7,74,56,751
Total		18,79,50,906	8,53,69,868
ASSETS			
Non-Current Assets :			
Property, Plant and Equipment	10		
Tangible Assets		16,93,220	11,66,217
Long Term Loans and Advances	11	10,97,492	6,88,861
Deferred tax Asset (Net)	12	1,51,400	89,564
		29,42,112	19,44,642
Current Assets :			
Inventories	13	9,75,21,314	4,96,55,828
Trade Receivable	14	1,60,71,766	-
Cash & Bank Balances	15	21,92,273	42,42,092
Short term loans and advances	16	6,91,88,653	2,94,98,807
Other current assets	17	34,788	28,499
		18,50,08,794	8,34,25,226
Total		18,79,50,906	8,53,69,868
Significant Accounting Policies	1		
Other Notes	25-37		

For and on behalf of the Board of directors of
Kaynes International Design & Manufacturing Private Limited
CIN : U74999KA2018PTC118692

As per our report of even date attached

For VARMA & VARMA
Chartered Accountants
FRN 0045325


Ramesh Kunhikannan
Director
[DIN: 02063167]


Sajjan Anandaraman
Director
[DIN: 08713250]




Aneesan C
Partner
M No.: 219131

Place: Mysore
Date : 23-10-2021

Place: Mysore
Date : 23-10-2021

Place: Bangalore
Date : 23-10-2021

KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED

Particulars	Note	31.03.2021 (₹)	31.03.2020 (₹)
INCOME			
Revenue from operations	18	31,76,26,780	11,26,64,361
Other Income	19	59,79,230	31,666
		32,36,06,010	11,26,96,027
EXPENDITURE			
Cost of raw materials and components consumed	20	17,89,19,585	8,17,76,456
Changes in inventories of finished goods and work-in-progress	21	25,41,868	(1,81,81,647)
Employee Benefits expense	22	54,42,240	28,66,763
Finance costs	23	32,06,325	11,03,661
Depreciation and Amortisation	10	1,63,442	1,15,017
Other Expenses	24	8,81,57,007	3,45,51,705
		27,84,30,467	10,22,31,955
Profit / (Loss) before exceptional and extraordinary items and tax		4,51,75,543	1,04,64,072
Exceptional items		-	-
Extraordinary items		-	-
Profit before tax		4,51,75,543	1,04,64,072
Tax expenses for the year			
Current tax		1,21,00,000	31,00,000
Deferred Tax charge/ (Gain)		(61,836)	(89,564)
Profit / (Loss) after tax for the year		3,31,37,379	74,53,636
Earnings Per Equity Share of ₹ 10 each	33		
-Basic Earnings Per Equity Share		210.35	47.96
-Diluted Earnings Per Equity Share		210.35	47.96
Significant Accounting Policies	1		
Other notes	25-37		

For and on behalf of the Board of directors of
Kaynes International Design & Manufacturing Private Limited
CIN : U74999KA2018PTC118692

As per our report of even date attached

For VARMA & VARMA
Chartered Accountants
FRN 0045325


Ramesh Kunhikannan
Director
[DIN: 02063167]


Sajjan Anandaraman
Director
[DIN: 08713250]




Aneesan C
Partner
M No.: 219131

Place: Mysore
Date : 23-10-2021

Place: Mysore
Date : 23-10-2021

Place: Bangalore
Date : 23-10-2021

KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED

Particulars	31.03.2021 (₹)	31.03.2020 (₹)
[A.] CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax and exceptional items	4,51,75,543	1,04,64,072
Adjustments for :		
Depreciation and Amortisation	1,63,442	1,15,017
Interest Income	(67,151)	(31,666)
Finance costs	15,32,932	9,49,573
Interest on Income tax	16,73,393	1,54,088
Unrealised Foreign Exchange (Gain)/Loss	(5,80,677)	1,81,488
Operating Profit before working capital changes	4,78,97,482	1,18,32,572
Adjustments for working capital changes:		
(Increase) / decrease in Inventories	(4,78,65,486)	(4,96,55,828)
(Increase) / decrease in Trade Receivables	(1,60,31,335)	-
(Increase) / decrease Loans and advances	(3,94,92,565)	(25,34,818)
(Increase) / decrease in Other Current Assets	(6,289)	(28,499)
Increase / (decrease) in Trade Payables	6,66,31,304	3,92,20,729
Increase / (decrease) in Other Liabilities	(1,35,04,450)	(1,26,60,515)
Increase/(decrease) in Provisions	18,27,003	79,232
Cash generated from/(Used in) for operations	(5,44,336)	(1,37,47,127)
Income Tax paid	(38,60,000)	-
Net Cash from/ (used in) operating activities (A)	(44,04,336)	(1,37,47,127)
[B.] CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	67,151	31,666
Purchase of Property, Plant and Equipment	(6,90,445)	(12,81,234)
(Investments)/Proceeds from fixed deposits	(13,10,862)	(5,00,000)
Net Cash Flow from/ (used in) Investing Activities (B)	(19,34,156)	(17,49,568)
[C.] CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Shares	-	75,330
Proceeds from Borrowings	40,00,000	2,00,00,000
Repayment of Borrowings	(9,860)	-
Interest paid	(10,12,329)	(9,49,573)
Net Cash Flow from/ (used in) Financing Activities (C)	29,77,811	1,91,25,757
Net increase/ (decrease) in Cash and Cash equivalents [A+B+C]	(33,60,681)	36,29,062



Cash and cash equivalents as at April 1, 2020

Cash and Bank Balances

37,42,092

1,13,030

Cash and cash equivalents as at March 31, 2021

Cash and Bank Balances

3,81,411

37,42,092

(33,60,681)

36,29,062

[Notes]

[1] The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at March 31, 2021 and the related Profit and Loss Statement for the period ended on that date.

[2] The above Cash Flow Statement has been prepared on indirect method in accordance with the prescription in Accounting Standard (AS) 3 on cash flow statements notified in Companies (Accounting Standards) Rule 2006.

[3] Figures in the brackets indicates cash outflow during the year.

For and on behalf of the Board of directors of
Kaynes International Design & Manufacturing Private Limited
CIN : U74999KA2018PTC118692

As per our report of the even date attached

For VARMA & VARMA
Chartered Accountants
FRN 004532S


Ramesh Kunhikannan
Director
[DIN: 02063167]


Sajan Anandaraman
Director
[DIN: 08713250]




Aneesah C
Partner
M No.: 219131

Place: Mysore
Date : 23-10-2021

Place: Mysore
Date : 23-10-2021

Place: Bangalore
Date : 23-10-2021

1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2021

Corporate Information:

Kaynes International Design & Manufacturing Private Limited ("the Company") is a company domiciled in India and incorporated with the objective of carrying on the business of exporting of mechanical, electrical, electrochemical, semiconductor, and/or hybrid technology equipment's, subassemblies, components, parts, consumables, designing, developing manufacturing all kinds of software, including analog and digital signal generation. The company was incorporated on 21st November 2018 under the provisions of Companies Act 2013 as a subsidiary of Kaynes Technology India Private Limited.

It carried on manufacturing activity by outsourcing to the holding company and completing assembly in house.

Significant Accounting Policies

i) **Basis of Preparation**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on accrual basis. IGAAP comprises mandatory accounting standards Companies (Accounting Standards) Rules, 2006 as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As a subsidiary of Non SMC Company, this company is also a non SMC Company. Hence these financial statements have been prepared accordingly in compliance with all applicable Accounting Standards.

ii) **Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the management to make the estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Difference between the actuals/revised estimate and earlier estimates are recognized in the period in which the results are known/materialise.

iii) **Cash Flow Statement**

Cash Flow Statement has been prepared in accordance with AS-3 specified under the Companies Act, 2013 using the indirect method to determine cash flows from operating activities.

Cash and Cash equivalents comprise of cash-in hand, balance in bank in current accounts and deposits accounts which are encashable on request.

iv) **Revenue Recognition**

Revenue from sale of products is recognised on dispatch of goods to customers or when ready for delivery based on order terms, and excludes GST. Sales returns are recognised in the year in which the goods are returned.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Profit and Loss Statement.

v) **Property, Plant and Equipment**

Property, Plant and Equipment are carried at cost of acquisition or construction including installation charges and subsequent cost of improvement thereto less accumulated depreciation.

Intangible assets are carried at cost less amortization where it is probable that future economic benefits expected from it are not less than the carrying value.

Until the Property, Plant and Equipment are ready for commercial use these costs, are aggregated and classified and carried forward as 'Capital Work In-Progress'



1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH 2021

vi) Depreciation

Depreciation on tangible assets is provided over the useful lives of the assets on a Straight Line Method (SLM) at the rates specified in schedule II of the Companies Act, 2013. Depreciation on assets purchased /sold during the year is proportionately charged. The Appropriateness of depreciation/amortisation period and depreciation/amortisation method is reviewed by the management at each financial year end.

vii) Impairment of Assets

The company assesses, at each balance sheet date, whether there is any indication that an asset, or group of assets comprising a cash generating unit, may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognised in the Profit and loss statement. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

viii) Operating Lease

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

ix) Employee Benefits

a. Short term employee benefits:

Liability towards short term employee benefits which is expected to occur within twelve months after the end of the period in which the employees renders the related services, comprising largely of salaries & wages, short term compensated absences and annual bonus is valued on an undiscounted basis and is charged to the Profit and Loss Statement during the period when the employee renders the services.

b. Defined-contribution plans:

Contributions to the Employees' Provident Fund, Employees' Pension Scheme, Employees' State Insurance and Superannuation fund are as per statute/ company policy, as may be applicable, and are recognized as expenses during the period in which the employees perform the services.

c. Defined-benefit plans:

The Company's net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.

d. Other long term employee benefits :

The company has a scheme for compensated absences for employees. The liability other than for short term compensated absences determined on the basis of actuarial valuation carried out at the end of the year using projected unit credit method. Actuarial gain and losses are recognised in full in the Profit and Loss Statement for the period in which they occur.



1 CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2021

x) Taxation

Tax expense is accounted in accordance with the Accounting Standard for Taxes on Income (AS-22), which includes current tax and deferred tax.

Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the provisions of the Income Tax Act, 1961.

Deferred tax assets/ liability represents timing differences between accounting income and taxable income recognised to the extent considered capable of being reversed in the subsequent years. Deferred tax assets are recognised at the rates of tax expected to apply to the taxable income in the years in which the temporary differences are expected to be reversed or settled. These are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that Deferred tax asset arising due to unabsorbed depreciation and losses are recognised only if there is a virtual certainty that sufficient future taxable income will be available to realise the same.

xi) Inventories

Raw materials and components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is ascertained under first in first out method.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

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

xii) Foreign Currency Transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the date of respective transactions.

All monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there-from are adjusted to the Profit and Loss Statement. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on restatement of the same on reporting date from the rates at which they were initially recognised, are reported as income or expense in the year in which they arise.

xiii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation as a result of past events for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

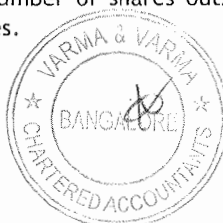
Contingent liabilities are disclosed when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are neither recognised nor disclosed in the accounts.

xiv) Earnings' per share

The basic earnings per share is computed by dividing the net profits / (losses) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for the year is presented and adjusted for events, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted Earnings' per share is computed by dividing the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares.



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON

PARTICULARS	31.03.2021 (₹)	31.03.2020 (₹)
2 Share Capital		
Authorised :		
1,00,00,000 (2020 : 1,00,00,000) Equity Shares of ₹ 10/- each	10,00,00,000	10,00,00,000
Issued, Subscribed and fully Paid up		
1,57,533 (2020 : 1,57,533) Equity Shares of ₹ 10/- each	15,75,330	15,75,330
	<u>15,75,330</u>	<u>15,75,330</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the financial year:

	31.03.2021		31.03.2020	
	No. of shares	(Amount ₹)	No. of shares	(Amount ₹)
Equity Shares outstanding:				
At the beginning of the year	1,57,533	15,75,330	1,50,000	15,00,000
Issued during the year	-	-	7,533	75,330
Outstanding at the end of the year	<u>1,57,533</u>	<u>15,75,330</u>	<u>1,57,533</u>	<u>15,75,330</u>

b. Details of shareholders holding more than 5% shares in the company:

Particulars	31.03.2021		31.03.2020	
	No. of shares	% of holding	No. of shares	% of holding
Kaynes Technology India Private Limited (Holding Company)	1,49,990	95.21%	1,49,990	95.21%

c. Terms/rights attached to equity shares:

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. i) There are no forfeited shares.

- ii) There are no shares reserved for issue under options and contracts/commitments for the sale of shares/
iii) The Company has not issued any securities convertible into equity/ preference shares.

e. During the last three years ending on 31st March 2021

- i) No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
ii) No shares were allotted as fully paid up by way of bonus shares.
iii) No shares were bought back.

3 Reserves and Surplus

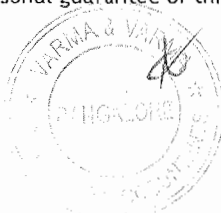
Surplus/(Deficit) in the profit and loss statement

Balance as at the beginning of the year	62,61,641	(11,91,995)
Profit/(Loss) for the year	3,31,37,379	74,53,636
Net Surplus/(Deficit) as at the end of the year	<u>3,93,99,020</u>	<u>62,61,641</u>
Total	<u>3,93,99,020</u>	<u>62,61,641</u>

4 Long term Borrowings

	Non-current portion		Current portion	
	31.03.2021 (₹)	31.03.2020 (₹)	31.03.2021 (₹)	31.03.2020 (₹)
Term Loans				
From Bank - Secured	31,69,358	-	8,30,642	-
Total	<u>31,69,358</u>	<u>-</u>	<u>8,30,642</u>	<u>-</u>

Secured loan represents, GECL Loan of ₹ 40.00 Lakhs (PY: Nil) from State Bank of India by extending the existing fund based working capital limits. The loan is repayable in 36 equal monthly instalments after a moratorium of 12 months from date of disbursement. The above secured loan is secured against the hypothecation of all stock, Receivables, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), guarantee cover and National Credit Guarantee Trustee Company Limited (NCGTC). Further this loan have been guaranteed by corporate guarantee of Kaynes Technology India Private Limited (Holding Company) and personal guarantee of three directors of the company.



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON

5 Long term provisions

	Non-current portion		Current portion	
	31.03.2021 (₹)	31.03.2020 (₹)	31.03.2021 (₹)	31.03.2020 (₹)
Provision for employee benefits (Refer Note:28)				
Gratuity	2,02,482	35,179	5,149	118
Compensated Absences	91,955	40,967	6,649	2,968
	2,94,437	76,146	11,798	3,086
Amount disclosed under the head "Short Term Provisions"	-	-	(11,798)	(3,086)
Net amount	2,94,437	76,146	-	-

6 Short-term borrowings

	31.03.2021 (₹)	31.03.2020 (₹)
Loans Repayable on demand :		
- From Banks		
Rupee Packing Credit - Secured	1,99,90,140	2,00,00,000
Total	1,99,90,140	2,00,00,000

Packing credit facility from State Bank of India is secured against the hypothecation of all stock, Receivables and Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) guarantee cover by Government of India. Further this loan have been guaranteed by corporate guarantee of Kaynes Technology India Private Limited (Holding Company) and personal guarantee of two directors of the company.

7 Trade Payables

	31.03.2021 (₹)	31.03.2020 (₹)
Total outstanding dues of micro and small enterprises [Refer note below]	1,15,69,826	55,80,838
Total outstanding dues of creditors other than micro and small enterprises	9,40,50,424	3,39,48,354
Total	10,56,20,250	3,95,29,192

[Note] The Company has identified Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, based on intimations received from suppliers as to their status under the said Act. Particulars of dues to these parties are as under:

Particulars	2021	2020
Principal amount (including overdue and interest amount) outstanding at the beginning of the year	55,80,838	-
Amount paid/adjusted after the due date during the year	-	-
Overdue amount outstanding at the end of the year	87,33,706	42,45,395
Principal amount (other than overdue) outstanding at the end of the year	23,15,518	12,24,975
Interest amount accrued and remaining unpaid at the end of the year	5,20,603	1,10,468

8 Other current liabilities

	31.03.2021 (₹)	31.03.2020 (₹)
Other Liabilities		
Current Maturities of long-term debts [refer note 4]	8,30,642	-
Interest accrued but not due on borrowings	47,993	-
Trade Payables [Capital Goods]	2,79,370	65,352
Dues to employees	7,89,571	4,12,710
Statutory dues payables	22,42,997	13,55,562
Advance from customers	-	1,28,36,761
Total	41,90,573	1,46,70,385

9 Short term provisions

	31.03.2021 (₹)	31.03.2020 (₹)
Provision for employee benefits (Refer Note:28)		
- Gratuity	5,149	118
- Compensated Absences	6,649	2,968
Income Tax	1,37,00,000	32,54,088
Total	1,37,11,798	32,57,174



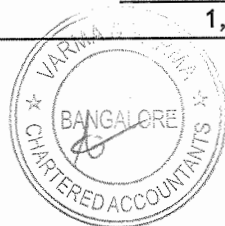
KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED

SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON

10. Property, Plant and Equipment

(Amounts in ₹)

Particulars	Plant & Equipments	Furniture & Fixtures	Office Equipments	Electrical Fittings	Computers	Total
Tangible Assets						
Gross Block at cost						
As at April 1, 2019	-	-	-	-	-	-
Additions	1,25,464	11,34,516	21,254	-	-	12,81,234
Disposal	-	-	-	-	-	-
As at March 31, 2020	1,25,464	11,34,516	21,254	-	-	12,81,234
Additions	4,12,484	1,83,456	-	49,955	44,550	6,90,445
Disposal	-	-	-	-	-	-
As at March 31, 2021	5,37,948	13,17,972	21,254	49,955	44,550	19,71,679
Accumulated Depreciation						
Up to April 1, 2019	-	-	-	-	-	-
Charge for the year	2,240	1,12,700	76	-	-	1,15,017
On Disposal	-	-	-	-	-	-
Up to March 31, 2020	2,240	1,12,700	76	-	-	1,15,017
Charge for the year	12,397	1,30,100	9,721	11,183	41	1,63,442
On Disposal	-	-	-	-	-	-
Up to March 31, 2021	14,637	2,42,800	9,797	11,183	41	2,78,459
Balance as at March 31, 2021	5,23,311	10,75,172	11,457	38,772	44,509	16,93,220
Balance as at March 31, 2020	1,23,224	10,21,816	21,178	-	-	11,66,217



	31.03.2021 (₹)	31.03.2020 (₹)
11 Long-term loans and advances		
Capital Advances - Unsecured, considered good	-	1,97,281
Security Deposit		
Unsecured, Considered good		
Rent Deposit	4,80,000	4,80,000
Utility Deposit	11,580	11,580
Other long term loans and advances		
Unsecured, considered good		
TDS/TCS (Net of Provision for tax)	6,05,912	-
Total	10,97,492	6,88,861
12 Deferred Tax Asset (Net)		
Deferred tax asset		
Expenses: timing differences on expenses allowable on payment basis.	1,64,207	98,496
Gross deferred tax asset	1,64,207	98,496
Less: Deferred tax liability		
Fixed assets: timing differences on account of depreciation allowance.	12,807	8,931
Gross deferred tax liability	12,807	8,931
Net deferred tax Asset	1,51,400	89,564
13 Inventories		
Raw Materials and Components	6,47,57,746	2,99,64,436
Work in progress	1,39,64,904	1,76,54,615
Finished Goods	16,74,875	5,27,032
Stores and spares	10,57,214	15,09,745
Goods in Transit	1,60,66,575	-
Total	9,75,21,314	4,96,55,828
* Inventory is valued at cost on FIFO method through the Inventory module of accounting package used and consists of material costs and overheads to the extent applicable and allocated.		
14 Trade Receivable		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	-
Unsecured, considered Doubtful	-	-
Less: Provision for doubtful receivable	-	-
Net total	-	-
Others		
Unsecured, considered good	1,60,71,766	-
Total	1,60,71,766	-
15 Cash and Bank Balances		
15.1 Cash and Cash Equivalents		
In current accounts	3,76,887	37,37,345
Cash on hand	4,524	4,747
	3,81,411	37,42,092
15.2 Other bank balances		
Other earmarked balances (Refer Note Below)	18,10,862	5,00,000
Total	21,92,273	42,42,092

15.3 Other earmarked balances are deposits encumbered with bank for providing bank guarantee towards Export Promotion Cell, Mysore as mentioned in Note 25(i)



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

	31.03.2021 (₹)	31.03.2020 (₹)
16 Short-term loans and advances		
Unsecured, considered good		
Advance paid to Suppliers	32,28,576	23,90,639
Advance for Materials/Services		
- Paid to Related parties (Refer-Note 30 C)	2,85,02,485	98,75,658
Balance with statutory/government authorities	3,74,57,592	1,72,32,510
Total	6,91,88,653	2,94,98,807
17 Other current assets		
Interest accrued on deposit held with bank	34,788	28,499
Total	34,788	28,499

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KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

18 Revenue from operations	31.03.2021	31.03.2020
	(₹)	(₹)
Sale of products		
Export Sales	31,76,26,780	11,26,64,361
Total	31,76,26,780	11,26,64,361
19 Other Income	31.03.2021	31.03.2020
	(₹)	(₹)
Interest Income		
On Fixed deposits	67,151	31,666
Gain on Foreign Exchange Fluctuation (Net)	59,12,079	-
Total	59,79,230	31,666
20 Cost of raw materials and components consumed	31.03.2021	31.03.2020
	(₹)	(₹)
Inventory at the beginning of the year		
Raw Materials and Components	2,99,64,436	-
Add: Purchases	21,37,12,895	11,17,40,892
	24,36,77,331	11,17,40,892
Less: Inventory at the end of the year		
Raw Materials and Components	6,47,57,746	2,99,64,436
Cost of raw materials and components consumed	17,89,19,585	8,17,76,456
21 Changes in inventories of finished goods and work-in-progress	31.03.2021	31.03.2020
	(₹)	(₹)
Closing Stock		
Finished Goods	16,74,875	5,27,032
Work-in-progress	1,39,64,904	1,76,54,615
	1,56,39,779	1,81,81,647
Less:		
Opening Stock		
Finished Goods	5,27,032	-
Work-in-progress	1,76,54,615	-
Total	25,41,868	(1,81,81,647)
22 Employee Benefits expense	31.03.2021	31.03.2020
	(₹)	(₹)
Salaries and Wages	44,05,866	23,77,853
Contribution to Provident and other funds	6,42,786	1,94,234
Staff welfare expenses	3,93,588	2,94,676
Total	54,42,240	28,66,763
23 Finance costs	31.03.2021	31.03.2020
	(₹)	(₹)
Interest		
- On Working Capital	6,76,486	1,60,510
- On Term Loans	2,53,243	-
- On delayed payment of advance income tax	16,00,000	1,54,088
- On Tax deducted at Source	73,393	17,017
- On delayed payment of dues to suppliers	5,20,603	1,10,468
Loan processing Fees	82,600	6,61,578
Total	32,06,325	11,03,661



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

24 Other Expenses	31.03.2021 (₹)	31.03.2020 (₹)
Rent	6,02,799	5,92,752
Rates and Taxes	44,790	1,66,577
Printing and Stationery	5,33,277	2,97,297
Insurance	2,68,129	26,000
Power and Fuel	1,04,671	1,11,234
Labour and Processing Charges	1,35,92,811	1,22,38,492
Stores, Spares and Consumables Consumed	38,22,290	15,99,366
Repairs and Maintenance		
- Plant and Machinery	2,27,951	41,093
- Building	68,090	91,163
- Others	81,227	31,906
Security Charges	7,06,171	3,67,784
Legal and Professional	42,51,950	20,39,396
Auditors Remuneration (See Note No: 24.1 below)	5,82,500	4,20,000
Commission on Sales	1,64,21,426	96,23,800
Bank Charges	11,25,877	2,66,047
Outward Freight and Forwarding	4,07,36,040	64,33,467
Bad Debts & advances Written Off, (net)	47,061	-
Loss on Foreign Exchange Fluctuation (Net)	-	1,81,488
Communication expenses	81,061	-
Travelling and Conveyance	1,72,134	-
Advertisement and Business Promotion	46,33,490	-
Miscellaneous Expenses	53,262	23,843
Total	8,81,57,007	3,45,51,705

24 Auditors Remuneration	31.03.2021 (₹)	31.03.2020 (₹)
As Statutory Auditor	4,00,000	3,00,000
For Tax Audit	1,50,000	1,00,000
For Taxation matters	32,500	20,000
Total	5,82,500	4,20,000

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KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

25 Contingent Liabilities and Commitments		(Amount in ₹)	
Particulars	31.03.2021	31.03.2020	
	(₹)	(₹)	
Contingent Liabilities:			
i) Bond Executed for Customs/Central Excise. Covered by Bank guarantee to the extent of ₹17,50,000/- [PY: ₹ 5,00,000/-]	3,50,00,000	1,00,00,000	
	3,50,00,000	1,00,00,000	
ii) Commitments:			
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	-	91,460	

26 a.) In the opinion of management, current assets, loans and advances have a value not less than what is stated in the accounts if realised in the ordinary course of business.

b.) Some of the trade Receivables, loans & advances and trade payables are subject to confirmation. Management is of the opinion that discrepancies, if any, that may arise on such reconciliation/confirmation will not have any material impact on the financial statements on a net basis.

27 The Company has an internal control system which is adequate considering the size and operations of the company. The operations and activities of the company are supervised by the Directors of the Company on a day-to-day basis. They are also involved in the approval and processing of payments. Considering the present size and operations of the company, it has implemented simple information systems consisting of a software customised for the company which are extensively used with very high level of acceptance in the industry. The identification of risks and controls is not a separate evaluation but an integral part of the processes and procedures followed by the company.

The operation of the above controls are constantly monitored by the Directors and these were found to be effectively operating at the year end.

28 Disclosure requirements as specified under AS 15 - "Employee Benefits" are envisaged below:

[a.] Defined Contribution Plans		(Amount in ₹.)	
Particulars	31.03.2021	31.03.2020	
Employers' contribution to Provident Fund	2,95,758	1,05,009	
Employers' contribution to Employee State Insurance	94,764	45,178	

[b.] Defined Benefit Plan

Gratuity -Unfunded obligation

The liability towards gratuity is provided for on the basis of independent actuarial valuation using projected unit credit method.

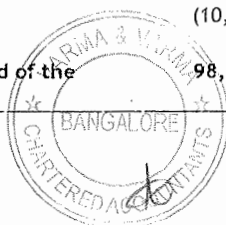
Compensated Absences- Unfunded obligation

Company provided for unavailed accumulated leave of employees on the basis of actuarial valuation using projected unit credit method.

i. Actuarial Assumptions	Compensated Absences		Gratuity	
	31-03-2021	31-03-2020	31-03-2021	31-03-2020
Discount Rate (per annum)	7.00%	7.00%	7.00%	7.00%
Expected return on plan assets	NA	NA	NA	NA
Salary escalation rate*	5.00%	5.00%	5.00%	5.00%
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14	IALM 2012-14

* The assumption of future salary escalation in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii. Reconciliation of Obligation	Compensated Absences		Gratuity	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Present value of obligation at the beginning of the year	43,935	-	35,297	-
Current Service Cost	61,808	43,935	97,199	35,297
Past Service cost	-	-	-	-
Interest Cost	3,075	-	2,471	-
Actuarial (gain)/ loss	(10,214)	-	72,664	-
Benefits Paid	-	-	-	-
Present value of obligation at the end of the year	98,604	43,935	2,07,631	35,297



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

iii. Net (Asset)/ Liability recognized in the Balance Sheet as at year end	Compensated Absences		Gratuity	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Present value of obligation at the end of the year	98,604	43,935	2,07,631	35,297
Fair value of plan assets at the end of the year	-	-	-	-
Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	98,604	43,935	2,07,631	35,297

iv. (Income)/ Expense recognized in the Profit and Loss Statement	Compensated Absences		Gratuity	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Current Service Cost	61,808	43,935	97,199	35,297
Interest Cost	3,075	-	2,471	-
Actuarial (gain)/ loss recognized for the period	(10,214)	-	72,664	-
Past Service Cost (if applicable)	-	-	-	-
Expected return on plan assets	-	-	-	-
(Income)/ Expenses recognized in the Profit and Loss Statement	54,669	43,935	1,72,334	35,297

v. History of defined benefit obligation, plan assets and experience adjustments over 2 years- Gratuity

Particulars	2021	2020
Present value of obligation at the year end	2,07,631	35,297
Fair value of plan assets at end of the year	-	-
Funded status- (deficit)/ surplus	(2,07,631)	(35,297)
Experience adjustments on plan liabilities	72,664	-
Experience adjustments on plan assets	-	-

The above disclosures are based on information certified by the independent actuary and relied upon by auditors.

29 Segment Reporting

The Company operates predominantly in one business segment of Electronics Manufacturing Services and accordingly primary reporting disclosures for business segment, as envisaged in Accounting Standard (AS) 17 on Segment Reporting, are not applicable.

During the year, the Company operates predominantly in export market and accordingly the secondary reporting disclosures is made for geographical segments, as envisaged in "AS-17".

Sales:

Geographic Segment	31.03.2021	31.03.2020
In India	-	-
Outside India	31,76,26,780	11,26,64,361
Total	31,76,26,780	11,26,64,361

All material assets are located in India and export proceeds are also realisable in India, hence no separate disclosure of segment assets and segment liabilities are given.

30 Related Party Disclosures

Disclosure in respect of transactions with related parties as required by Accounting Standard (AS) 18 "Related Party Transactions".

[A.] Related Parties and their Relationship with the Company

Ref. Description of relationship	Names of Related parties
[1.] Holding Company	Kaynes Technology India Private Limited
[2.] Fellow Subsidiaries	Kaynes Embedded System Private Limited (Defunct) Kemsys Technologies Private Limited Kaynes Technology Europe GmbH



KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

- [3.] *Entities Controlled by director* Kaynes Interconnection Systems India Private Limited
Kaynes Technology Inc.
Kemsys Technologies Inc.
Kaynes Circuits Private Limited
Kaynes Electro-Plast Private Limited
Mysore ESDM Cluster
Wendorhub Solutions Private Limited
Cheyyur Real Estates Private Limited
Cheyyur Properties Private Limited
Nambi Reality Private Limited
- [4.] *Entity where relative of Directors have substantial interest* A ID Systems (India) Private Limited
- [5.] *Key Management Personnel:*
Mr. Ramesh Kunhikannan Director
Ms. Savitha Ramesh Director
Mr. Sajan Anandaraman Director
- [6.] *Relatives of KMP's:* Ms. Premita Ramesh
Mr. Govind Shasiprasad Menokey

[B.] Transactions with Related Parties

Transactions / Balances	For the year ended on 31-03-2021	For the year ended on 31-03-2020
<i>[i.] Purchases</i>		
Kaynes Technology India Private Limited	1,08,63,714	6,82,24,551
<i>[ii.] Paid towards Marketing, Distribution, Administration, Management & Other Support Services</i>		
Kaynes Technology India Private Limited	4,54,92,969	2,48,83,940
<i>[iii.] Commission Paid</i>		
Kaynes Technology Europe GMBH	92,71,426	-
<i>[iv.] Transaction in current account (net)</i>		
Kaynes Technology India Private Limited	1,86,26,828	-

[C.] Balances with Related Parties

Transactions / Balances	For the year ended on 31-03-2021	For the year ended on 31-03-2020
<i>[i.] Trade Payables</i>		
Kaynes Technology Europe GMBH	12,98,250	-
<i>[ii.] Advance for Materials/Services</i>		
Kaynes Technology India Private Limited	2,85,02,485	98,75,658

31 Operating Lease:

Company has entered into operating leases in respect of office/factory buildings some of which are effectively non cancellable.

Particulars	31.03.2021	31.03.2020
Not later than one year	6,21,120	6,21,120
One to five years	10,86,959	17,08,079
Total	17,08,079	23,29,198

32 Foreign exchange exposures not hedged by derivative instruments

Particulars	31.03.2021		31.03.2020	
	FC	Amount (₹)	FC	Amount (₹)
<i>Trade Payables :</i>				
EURO	2,93,530	2,57,27,872	1,34,584	1,12,91,259
USD	3,83,647	2,84,47,421	84,597	64,24,729
<i>Trade Receivables :</i>				
EURO	1,90,108	1,60,71,766	-	-
<i>Loans and Advances(Advance from Customer)</i>				
EURO	-	-	1,56,188	1,28,36,760
<i>Loans and Advances(Advance paid to Suppliers)</i>				
EURO	415	34,753	-	-
USD	18,714	11,57,868	-	-

KAYNES INTERNATIONAL DESIGN & MANUFACTURING PRIVATE LIMITED
SIGNIFICANT NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

33 Earnings Per Share

Earnings per Share ("EPS") computed in accordance with Accounting Standard (AS) 20 "Earnings per Share".

Particulars	31.03.2021	31.03.2020
Basic and Diluted:		
Net Profit/Loss After Tax as per Profit and Loss Account (₹) - (A)	3,31,37,379	74,53,636
Weighted Average Number of Shares outstanding for Basic & Diluted EPS (Nos.) - (B)	1,57,533	1,55,428
Basic earnings per share (₹) (A) / (B)	210.35	47.96
Diluted earnings per share (₹) (A) / (B)	210.35	47.96
Nominal value per share (₹)	10.00	10.00

34 Production, stock and sales

[A.] Raw materials consumption: [Bare Printed Circuit Boards' (PCB's) , Integrated Circuits (IC's),etc.]

Particulars	31.03.2021		31.03.2020	
	Quantity (No's)	Value (₹)	Quantity (No's)	Value (₹)
Integrated Circuits	6,51,468	1,15,16,321	3,64,688	30,19,275
Printed Circuit Boards	5,02,461	1,80,67,562	2,38,568	76,61,194
Others Components (individually less than 10% of total consumption)	2,75,63,133	14,93,35,702	1,19,74,729	7,10,95,987
Total	2,87,17,062	17,89,19,585	1,25,77,985	8,17,76,456

Particulars	Value (₹)		Percentage (%)	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Imported	13,39,49,882	3,26,60,533	75%	40%
Indigenous	4,49,69,703	4,91,15,923	25%	60%
Total	17,89,19,585	8,17,76,456	100%	100%

[B.] Stock of finished goods

Particulars	31.03.2021	31.03.2020
Manufactured goods	16,74,875	5,27,032
Total	16,74,875	5,27,032

* The company has only one major product i.e. Populated PCBs. Hence no category wise break-up is given.

35 Expenditure & Earnings in Foreign currency

(i) CIF Value of Imports

Particulars	31.03.2021	31.03.2020
Raw Materials	16,68,72,073	4,18,45,985
Total	16,68,72,073	4,18,45,985

(ii) Other expenditure in foreign currency

Particulars	31.03.2021	31.03.2020
Commission on Sales	92,71,426	-
Total	92,71,426	-

Particulars	31.03.2021	31.03.2020
(iii) Earnings in Foreign Currency - Export of goods	31,76,26,780	11,26,64,361



36 Covid-19 Impact

The outbreak of COVID-19 had resulted in the Government of India undertaking drastic measures for containment of the disease. In view of these measures, the operations of the company was fully shutdown from March, 23 2020. The company was able to achieve almost normal level of operations from 11th May, 2020 consequent to further relaxations from the Government Authorities and has since achieved capacity utilisation at near normal levels. Although subsequent lockdown announced in April 2021 also affected its operation, the impact was significantly lower.

Consequent to the slowdown with freight forwarder / customs department etc., the company was not able to despatch goods manufactured and kept ready and appropriated against confirmed orders and invoiced to customer to the extent of ₹ 1,41,24,842/-. In the previous year also such dispatches were affected due to sudden lockdown to the extent of ₹ 1,38,74,154/- although the same were invoiced and recognised as sales. These have been since and accepted by the customers.

The incremental costs incurred by the company to adhere to the standard operating procedures notified by the Government / Authorities for operating its facilities are not significant.

The global spread of COVID-19 has led to an uncertain business environment including its ability to pursue recovery of its advances and using the accumulated stocks. The management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of various assets after taking into account various internal and external information including for settlement of liabilities up to the date of approval of these financial statements and have concluded that they are fully recoverable based on the expected future performance of the Company. The Company has also assessed various scenarios and assumptions and based on the current estimates, the management of the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2021, net of provisions made are fully recoverable and that no further provision is required.

Considering the present liquidity position of the company and its ability to raise funds, if required, and its order book position the management of the company does not foresee any adverse impact on its ability to continue as a going concern and in meeting its liabilities as and when they fall due.

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature as well as its duration and the management will continue to monitor any events/ changes to future economic conditions. Accordingly, the final impact may be different from that estimated as at the date of approval of these financial statements.

37 Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

(Signatures to all significant notes forming part of Financial Statements)

For and on behalf of the Board of directors of
Kaynes International Design & Manufacturing Private Limited
CIN : U74999KA2018PTC118692

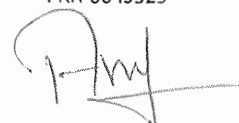
As per our report of the even date attached
For VARMA & VARMA
Chartered Accountants
FRN 0045325



Ramesh Kunhikannan
Director
[DIN: 02063167]



Sajan Anandaraman
Director
[DIN: 08713250]



Aneesan C
Partner
M No.219131

Place: Mysore
Date : 23-10-2021

Place: Mysore
Date : 23-10-2021

Place: Bangalore
Date : 23-10-2021