



INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

**The Board of Directors
Kumar Arch Tech Limited
(Formerly known as Kumar Arch Tech Private Limited)**

Dear Sirs/Madams,

1. We have examined, the attached Restated Consolidated Financial Information of **Kumar Arch Tech Limited** (here in after referred to as the "**Company**" or the "**Issuer**") and its subsidiaries (the Company and its subsidiary collectively referred to as the "**Group**"), which comprise the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Statement of Cash Flows for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary of material accounting policies, and other explanatory information (collectively, the "**Restated Consolidated Financial Information**"), as approved by the Board of Directors of the Company ("the Board") at their meeting held on 26/09/2024, for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("**IPO**") prepared in terms of the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act 2013, as amended (the "**Act**");
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "**ICDR Regulations**"); and
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended (the "**Guidance Note**").



AHMEDABAD

503/ KSHITIJ ARIA, 5TH FLOOR,
OPP. GOLDEN TRIANGLE COMPLEX,
STADIUM ROAD, NAVRANGPURA,
AHMEDABAD - 380009. M.: 94270 07081

AHMEDABAD

A/306, MONDEAL SQUARE,
NR. KARNAVATI CLUB, S.G. HIGHWAY ROAD,
PRAHLAD NAGAR CROSS ROAD,
AHMEDABAD-380 015. PH.: 079-4006 3697

MUMBAI

B/ 33, BHOLANATH, SUBHASH ROAD,
NR. ORION SCHOOL, OPP. MADRASI RAM-
MANDIR, VILE PARLE (EAST),
MUMBAI- 400057. M.: 94241 04415

Management's Responsibility for the Restated Financial Information

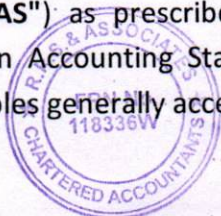
2. The Company's management is responsible for the preparation of the Restated Consolidated Financial Information which have been approved by the Board for the purpose of inclusion in the DRHP to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and the National Stock Exchange of India Limited (collectively, "Stock Exchanges") in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note: 1.1 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note as applicable.

Auditors' Responsibilities

3. We have examined these Restated Consolidated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you vide our engagement letter dated 01/05/2024, in connection with the proposed IPO;
 - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations.

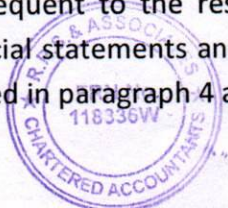
Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the Management from:
 - a. The audited Consolidated Financial Statements of the Group for the year ended March 31, 2024, which were prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India ("Audited Consolidated Financial



Statements”), which has been approved by the Board of Directors at their meeting held on 24/09/2024; and

- b. The audited Special Purpose Ind AS Consolidated financial statements of the Group for the year ended March 31, 2023 and March 31, 2022 prepared in accordance with **Ind AS** as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles accepted in India (**“Special Purpose Ind AS Consolidated Financial Statements”**), which have been approved by the Board of Directors at their meetings held on 24/09/2024.
5. For the purpose of our examination, we have relied on:
- a. Auditors’ report issued by us dated 24/09/2024 on the audited Consolidated Financial Statements of the Group as at year ended March 31, 2024 as referred in Para 4(a) above; and
 - b. Auditors’ report issued by us dated 24/09/2024 on the audited Special Purpose Ind AS Consolidated Financial Statements of the Company as at and for each of the years ended March 31, 2023 and March 31, 2022, as referred in Para 4 (b) above
6. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
- a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications, retrospectively in the financial years ended March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed for the year ended March 31, 2024;
 - b. does not contain any modifications requiring adjustments; and
 - c. have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements and special purpose Ind AS consolidated financial statement mentioned in paragraph 4 above.



9. This report should not be in anyway construed as a reissuance or re-dating of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for the use of Board of Directors for inclusion in the DRHP to be filed with SEBI, the Stock Exchanges in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent writing.

**For, R.R.S & Associates
Chartered Accountants
FRN: 118336W**

**Rajesh Shah
(Partner)
MembershipNo.034549
UDIN: 24034549BKGRFL7128**



Date: 26/09/2024

Place: Ahmedabad

(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Statement of Assets and Liabilities

(Rs in Million)

| Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
|---|----------|----------------------|----------------------|----------------------|---------------------|
| I. ASSETS : | | | | | |
| (1) Non Current Assets | | | | | |
| (a) Property, Plant & Equipment | 2(a) | 618.59 | 316.84 | 284.48 | 251.96 |
| (b) Capital Work in progress | 2(b) | 0.00 | 111.97 | 40.32 | 0.64 |
| (c) Right -of Use Assets | 2(a) | 1.58 | - | - | - |
| (d) Intangible assets | 2(c) | 0.02 | 0.06 | 0.13 | 0.21 |
| (e) Financial assets | | | | | |
| Other Financial Assets | 5 | 535.46 | 92.26 | 71.66 | 40.54 |
| (f) Other non-current assets | 6 | 72.79 | 27.70 | 31.21 | 31.18 |
| Total Non Current Assets | | 1,228.45 | 548.83 | 427.80 | 324.52 |
| (2) Current Assets | | | | | |
| (a) Inventories | 7 | 739.62 | 399.07 | 403.89 | 243.15 |
| (b) Financial assets | | | | | |
| Trade Receivables | 8 | 707.18 | 653.26 | 454.77 | 140.35 |
| Cash and cash equivalents | 4(a) | 180.56 | 294.88 | 24.39 | 41.30 |
| Other Financial Assets | 5 | 5.60 | - | - | - |
| (c) Other current asset | 6 | 81.53 | 77.72 | 107.71 | 70.64 |
| Total Current Assets | | 1,714.49 | 1,424.93 | 990.76 | 495.44 |
| TOTAL- ASSETS | | 2,942.94 | 1,973.76 | 1,418.57 | 819.96 |
| II. EQUITY AND LIABILITIES : | | | | | |
| (1) EQUITY | | | | | |
| (a) Share Capital | 9 | 57.28 | 57.28 | 57.28 | 57.28 |
| (b) Other Equity | 10 | 2,226.15 | 1,116.46 | 480.56 | 275.37 |
| Total Equity | | 2,283.43 | 1,173.74 | 537.84 | 332.64 |
| (2) Non Current Liabilities | | | | | |
| (a) Financial liabilities | | | | | |
| Borrowings | 13 | - | 29.22 | 75.96 | 48.93 |
| Lease Liabilities | 14 | 0.94 | - | - | - |
| (b) Provisions | 11 | 3.50 | 1.69 | 1.54 | 1.22 |
| (c) Deferred Tax Liabilities (Net) | 3 | 2.94 | 12.08 | 16.27 | 22.98 |
| Total Non Current Liabilities | | 7.38 | 42.99 | 93.77 | 73.13 |
| (3) Current Liabilities | | | | | |
| (a) Financial liabilities | | | | | |
| Borrowings | 13 | 300.64 | 264.75 | 220.07 | 101.42 |
| Lease Liabilities | 14 | 0.67 | - | - | - |
| Trade payables | | | | | |
| A) Total Outstanding Dues of Micro and Small Enterprises | 12 | 4.36 | 4.06 | - | - |
| B) Total Outstanding Dues of other than Micro and Small Enterprises | | 290.73 | 300.66 | 440.90 | 278.56 |
| Other financial liabilities | 14 | 15.76 | 0.39 | 49.73 | 1.36 |
| (b) Provisions | 11 | 0.22 | 0.50 | 0.53 | 0.39 |
| (c) Other current liabilities | 15 | 15.81 | 81.29 | 62.70 | 14.74 |
| (d) Current Tax liabilities (Net) | 16 | 23.94 | 105.38 | 13.02 | 17.72 |
| Total Current Liabilities | | 652.13 | 757.04 | 786.96 | 414.19 |
| TOTAL- EQUITY AND LIABILITIES | | 2,942.94 | 1,973.76 | 1,418.57 | 819.96 |

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For RRS & Associates

Chartered Accountants

Firm Reg. No.118338W

Rajesh Shah

Partner

M.No.034549



For and on behalf of the Board of Directors

KUMAR ARCH TECH LIMITED

Shubham Taylia

Managing Director

DIN: 02416429

Vikram Singh Sankhla

Chief Financial Officer

Shakun Taylia

Whole Time Director

DIN: 01974241

Rahul Ranka

Company Secretary and Compliance Officer

M.No: A38416

Place: Ahmedabad

Date: 26/09/2024

Place: Ahmedabad

Date: 26/09/2024

KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Statement of Profit and Loss

(Rs in Million)

| Particulars | Note No. | Year Ended March 31, 2024 | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|---|----------|------------------------------|------------------------------|------------------------------|
| REVENUE: | | | | |
| Revenue from operations | | | | |
| Sale of Products | | 4,077.96 | 4,070.96 | 2,505.64 |
| Other operating income | | 0.81 | 1.59 | - |
| Total Revenue from Operations | 17 | 4,078.77 | 4,072.55 | 2,505.64 |
| Other income | 18 | 84.09 | 72.54 | 41.77 |
| Total Revenue (I) | | 4,162.86 | 4,145.09 | 2,547.41 |
| EXPENSES: | | | | |
| (a) Cost of materials consumed | 19 | 1,564.47 | 1,613.28 | 1,400.78 |
| (b) Purchases of Stock In Trade | 20 | 119.85 | 196.61 | 92.59 |
| (c) Changes in inventories of finished goods and work-in-progress | 21 | (223.06) | (12.81) | (91.27) |
| (d) Employee benefits expenses | 22 | 47.95 | 33.13 | 21.58 |
| (e) Other expenses | 23 | 1,177.46 | 1,416.30 | 817.51 |
| Total Expenses (II) | | 2,686.68 | 3,246.52 | 2,241.19 |
| Profit before interest, tax, depreciation and amortisation (I - II) | | 1,476.18 | 898.57 | 306.21 |
| Finance Costs | 24 | 9.46 | 22.34 | 23.52 |
| Depreciation and amortisation expenses | 2 | 53.02 | 34.59 | 31.04 |
| Profit before tax | | 1,413.70 | 841.64 | 251.65 |
| Tax expenses / (benefit): | | | | |
| (a) Current tax | | 314.68 | 215.88 | 54.09 |
| (b) Deferred tax charge | | (8.97) | (4.29) | (6.70) |
| Net tax expense | | 305.71 | 211.60 | 47.39 |
| Profit for the year | | 1,107.99 | 630.05 | 204.26 |
| Other Comprehensive Income | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Re-measurement gains / (losses) on defined benefit plans | | (0.66) | 0.38 | (0.03) |
| Income tax relating to matter that will not be reclassified to profit or loss | | 0.17 | (0.10) | 0.01 |
| | | (0.49) | 0.29 | (0.02) |
| Total Comprehensive Income | | 1,107.50 | 630.34 | 204.24 |
| Earnings per equity share of face value ₹ 2 each | | | | |
| Basic and Diluted (₹) | 32 | 6.45 | 3.67 | 1.19 |

The accompanying notes form an integral part of the Financial

As per our report of even date attached

For RRS & Associates
Chartered Accountants
Firm Reg. No. 11833W

Rajesh Shah
Partner
M.No.034549



For and on behalf of the Board of Directors
KUMAR ARCH TECH LIMITED

Shubham Taylia
Managing Director
DIN: 02416429

Shakun Taylia
Whole Time Director
DIN: 01974241

Vikram Singh Sankhla
Chief Financial Officer

Rahul Ranka
Company Secretary and Compliance
Officer

M.No: A38416

Place: Ahmedabad

Date: 26/09/2024

Place: Ahmedabad

Date: 26/09/2024

KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Statement of Cash Flows

(Rs in Million)

| Particulars | As at | As at | As at | As at |
|--|-----------------|-----------------|-----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | April 1, 2021 |
| A. Cash flow from Operating Activities : | | | | |
| Profit / (Loss) before tax | 1,413.70 | 841.64 | 251.65 | 91.18 |
| Adjustments for : | | | | |
| Depreciation and amortisation expenses | 53.02 | 34.59 | 31.04 | 22.86 |
| Finance costs | 9.46 | 22.34 | 23.52 | 25.33 |
| Balance Written off/(Written back)/(Net) | (6.50) | (0.02) | - | 0.00 |
| (Profit) / Loss on sale of Property, Plant and Equipment | - | (1.02) | (3.89) | 0.00 |
| Unrealised Foreign Exchange Fluctuation Loss/(Gain) | (3.70) | 2.08 | (7.87) | 0.00 |
| Interest Income on Fixed Deposits | (10.61) | (4.66) | (3.48) | (1.13) |
| Operating profit before working capital changes | 1,455.36 | 894.95 | 290.98 | 138.24 |
| Changes in working capital: | | | | |
| Adjustments for (increase) / decrease in operating assets: | | | | |
| Trade receivables | (41.52) | (194.99) | (305.60) | 62.74 |
| Inventories | (340.55) | 4.82 | (160.74) | (135.25) |
| Other assets | (55.13) | 27.98 | (37.21) | (45.20) |
| Adjustments for increase / (decrease) in operating liabilities: | | | | |
| Trade payable, liabilities & provisions | | | | |
| Trade payables | (9.64) | (136.17) | 162.34 | 135.89 |
| Other liabilities | (50.11) | (30.75) | 96.33 | (1.68) |
| Financial Liabilities | - | - | - | - |
| Provision | 0.88 | 0.49 | 0.44 | 1.81 |
| Cash generated from operations | 959.29 | 566.33 | 46.54 | 156.55 |
| Net income tax paid/refund | (396.12) | (123.52) | (58.79) | - |
| Net cash flow from/(used in) Operating Activities (A) | 563.17 | 442.81 | (12.25) | 156.55 |
| B. Cash flow from Investing Activities : | | | | |
| Purchase of property, plant and equipment and intangible assets and capital advances | (242.27) | (144.69) | (104.27) | (3.26) |
| Sale of property, plant and equipment and intangible assets | - | 7.20 | 5.00 | - |
| Interest Income | 10.61 | 4.66 | 3.48 | 1.13 |
| Investments in Fixed Deposits with Bank (not considered as Cash and Cash Equivalent) | (442.61) | (15.08) | (31.02) | 11.53 |
| Increase /(Decrease) in Loan Given | - | - | - | - |
| Investments in Subsidiary | - | - | - | - |
| Net cash flow used in Investing Activities (B) | (674.27) | (147.92) | (126.81) | 9.39 |
| C. Cash flow from Financing Activities : | | | | |
| Proceeds from borrowings | 6.66 | (2.06) | 145.68 | (44.21) |
| Repayment of borrowings | - | - | - | - |
| Proceeds from issue of Share capital | - | - | - | - |
| Payment of Lease Liabilities | (0.60) | - | - | - |
| Finance costs | (9.28) | (22.34) | (23.52) | (25.33) |
| Net cash flow from Financing Activities (C) | (3.22) | (24.40) | 122.15 | (69.54) |
| Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | (114.32) | 270.49 | (16.91) | 96.41 |
| Cash and Cash Equivalents at the beginning of the year | 294.88 | 24.39 | 41.30 | - |
| Cash and Cash Equivalents at end of the year (Refer Note 5(a)) | 180.56 | 294.88 | 24.39 | 96.41 |

Notes:

(i) The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(ii) Cash and Cash Equivalents (Refer Note 5(a))

| | | | | |
|---|---------------|---------------|--------------|--------------|
| Cash on hand | 4.74 | 6.52 | 3.50 | 3.46 |
| Balance with banks in current account | 175.82 | 288.36 | 20.89 | 37.84 |
| Cash and Cash Equivalents as per Cash flow statement | 180.56 | 294.88 | 24.39 | 41.30 |

(iii) Previous year figures have been rearranged and/or regrouped. Wherever necessary.

See accompanying notes forming part of the financial statements
In terms of our report attached

For RRS & Associates
Chartered Accountants
Firm Reg. No.118336W

Rajesh Shah
Partner
M.No.034549



For and on behalf of the Board of Directors
KUMAR ARCH TECH LIMITED

Shubham Taylia
Managing Director
DIN: 02416429

Shakun Taylia
Whole Time Director
DIN: 01974241

Vikram Singh Sankhla
Chief Financial Officer

Rahul Ranka
Company Secretary and Compliance
Officer
M.No: A38416

Place: Ahmedabad
Date: 26/09/2024

Place: Ahmedabad
Date: 26/09/2024

KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Notes on Financial Information

Annexure I
Restatement Adjustments
Summarised below are the restatement adjustments made to the equity of the Audited financial statements of the company for the year ended March 31,2023 and March 31,2022 and their consequential impact on the profit / (loss) of the company :

(a) Statement of reconciliation of standalone equity under Ind AS and Indian GAAP (IGAAP)
(Rs in Million)

| Sr. No. | Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---------|--|----------------------|----------------------|
| | Total equity as per IGAAP | 1,285.76 | 612.53 |
| 1 | Derecognition of Revenue on Export Sales | (394.71) | (276.42) |
| 2 | Other Ind AS adjustments | 263.78 | 212.23 |
| 3 | Prior Period Expenses | 0.89 | (0.01) |
| 4 | Remeasurement of Post-employment benefit obligations | (1.02) | (0.53) |
| 5 | Borrowings transaction cost adjustments | 0.14 | 0.10 |
| 6 | Other Comprehensive Income | 0.27 | (0.02) |
| 7 | Tax effect of Adjustment | 42.42 | 6.50 |
| 8 | Change in Depreciation Method | (23.79) | (16.53) |
| | Total equity as per Ind AS | 1,173.74 | 537.84 |

(b) Statement of reconciliation of Total comprehensive Income
(Rs in Million)

| Sr. No. | Particulars | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---------|--|-------------------------------------|-------------------------------------|
| | Profit after tax as per IGAAP | 668.43 | 204.86 |
| 1 | Derecognition of Revenue on Export Sales (Net) | (118.28) | (103.54) |
| 2 | Other Ind AS adjustments | 44.97 | 102.41 |
| 3 | Prior Period Expenses | 0.91 | 1.34 |
| 4 | Remeasurement of Post-employment benefit obligations | (0.49) | (0.41) |
| 5 | Borrowings transaction cost adjustments | 0.04 | 0.03 |
| 6 | Right to Use Adjustment | - | - |
| 7 | Tax effect of Adjustment | 41.45 | 7.95 |
| 8 | Depreciation | (7.26) | (8.37) |
| | Profit after tax as per Ind AS | 629.76 | 204.28 |
| | Other comprehensive income (net of tax) | 0.29 | (0.02) |
| | Total comprehensive income as per Ind AS | 630.05 | 204.26 |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Notes to Adjustment

1 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the periods/years.

2 Expected Credit Loss

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the allowance for doubtful debt.

3 Borrowings transaction cost

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

4 Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value.

5 Right of use assets and Lease liability

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses.

The company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

6 Impact of Ind As 8

Accounting Policies, Changes in Accounting Estimates and Errors are corrected retrospectively by restating the comparative amount for prior period presented in which the error occurred or if the error occurred before the earliest periods/years presented, by restating the opening statement of financial position.

7 Deferred tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS.

8 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a periods/years should be included in profit or loss for the periods/years, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Statement of reconciliation of Cash flow statement

The transition from previous GAAP to Ind AS has not had a material impact on the statement of cash flows.

- Note 1 Under previous GAAP, Investment (other than Investment in Subsidiaries) were carried at lower of cost or market value. Under Ind AS, the company has designated these investments at fair value through profit or loss (FVTPL). Accordingly, these investments are required to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of the instruments and its Previous GAAP carrying amount has been recognised in retained earnings. Fair value changes are recognised in the Statement of Profit and Loss for the year ended 31st March, 2024.
- Note 2 Under previous GAAP, prior period items were shown separately where as under IND AS, prior period error is corrected by retrospective restatement except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.
- Note 3 Under previous GAAP, useful life of Intangible Asset (Brand) was considered 10 years (restricted as per AS 26), where as under IND AS useful life of Intangible Asset(Brand) is considered 50 years as per management estimates and technical evaluation.
- Note 4 Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset and are recognised in other comprehensive income.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

ANNEXURE-II

Notes to the Financial Statement including a summary of significant accounting policies and other

Company overview

The Restated Financial Information comprise financial statements of Kumar Arch Tech Limited (the "Company") for each years ended as on March 31, 2024, March 31, 2023, and March 31, 2022, that had been previously prepared and audited as per the requirements of the Companies Act, 2013 and now restated as per the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on September 11, 2018, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and Guidance note on reports in Company Prospectus (Revised 2019) ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI")

KUMAR ARCH TECH LIMITED ("the Company") is a Limited Company and was incorporated and domiciled in India having its registered office at 302 PARSHWNATH BUSINESS PARK, SURVEY NO. 836, F P NO. 1/2, PRAHLADNAGAR VEJALPUR, Jivraj Park, Ahmedabad, Gujarat, 380051. The Company is engaged in the manufacture and marketing of Rigid Foam PVC Sheet, Profile and article made thereof products. The company has set up a manufacturing plant located in Udaipur (Raj.) which has commenced commercial production from 2001-02.

The Restated Financial Information are authorized for issue by the Company's Board of Directors on September 26, 2024

1.1 Basis of preparation :

(A) Statement of Compliance with Ind AS

The Restated Financial Information of the company comprise the restated balance sheet as of March 31, 2024, March 31, 2023, and March 31, 2022, the restated statement of profit and loss (including other comprehensive income), the restated statement of changes in equity and the restated statement of cash flows for the years ended March 31, 2024, March 31, 2023, and March 31, 2022, and the statement of significant accounting policies, and other explanatory information relating to such financial periods

The Restated Financial Information have been prepared on a going-concern basis.

These Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the board meeting held for the approval of the financial statements as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022 as mentioned above.

The accounting policies are applied consistently to all the periods presented in the Restated Financial Information except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use

The Restated Financial Information has been prepared for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering of its equity shares, in accordance with the requirements of: - Section 26 of part I of Chapter III of the Act - relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ("SEBI") as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

The Restated Financial Information has been compiled by the company from:

The audited financial statements of the Company as at and for the year ended March 31, 2023, which were prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended (referred to as "Ind AS"), and other accounting principles generally accepted in India ("Audited Financial Statements"), which has been approved by the Board of Directors at their meeting held on September 24, 2024; and

The audited special purpose Ind AS financial statements of the Company as at and for the year ended March 31, 2023 and March 31, 2022 prepared in accordance with Indian Accounting Standard ("Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015 and other accounting principles accepted in India ("Special Purpose Ind AS Audited Financial Statements"), which have been approved by the Board of Directors at their meetings held on September 24, 2024;

These Restated Financial Information have been prepared to comply in all material respects with the Indian Accounting Standard ("Ind AS") notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 as applicable

This note provides a list of the significant accounting policies adopted in the preparation of the Restated Financial Information. These policies have been consistently applied to all the periods/years presented unless otherwise stated.

The Restated Financial Information have been prepared on an accrual basis under the historical cost convention except where the Ind AS requires a different accounting treatment.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

(B) Functional and presentation currency

These Restated Financial Information are presented in ₹, which is also functional currency of the Company. All amounts disclosed in the Restated Financial Information and notes have been rounded off to the nearest "million" with two decimals, unless otherwise stated.

(C) Use of estimates

The preparation of Restated Financial Information in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenditure for the period and disclosures of contingent liabilities as at the Balance Sheet date. Actual results could differ from those estimates

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation

The areas involving critical estimates or judgments are:

- Useful life of property, plant, and equipment.
- Defined benefit obligation
- Provisions
- Recoverability of trade receivables
- Current tax expense and current tax payable

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company

(D) Current and Non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/noncurrent basis", with separate reporting of assets held for sale and corresponding liabilities. Current assets, which include cash and cash equivalents are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.2 Revenue recognition:

- a. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.



KUMAR ARCH TECH LIMITED**(Formerly known as Kumar Arch Tech Private Limited)****CIN: U36999GJ1998PLC033735**

b. Provision for sales returns are estimated on the basis of historical experience, market conditions and specific contractual terms and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices and projected market conditions.

c. Other income:

- i) Dividend income is recognized when the right to receive dividend is established.
- ii) Interest income is recognized using the time-proportion method, based on rates implicit in the transaction.
- iii) Other income is recognized when no significant uncertainty as to its determination or realisation exists.

1.3 Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost of acquisition/construction net of recoverable taxes less accumulated depreciation / amortization and impairment loss, if any. All costs attributable to acquisition of Property, Plant and Equipment till assets are put to use, are capitalized. Subsequent expenditure on Property, Plant and Equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in statement of profit and loss.

Depreciation on Property, Plant and Equipment (other than 'Freehold Land' where no depreciation is provided), is provided on the "Straight-line method" (SLM) based on the useful lives as prescribed under Schedule II of the Companies Act, 2013. Depreciation on additions/ disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets were put to use.

Treatment of expenditure during construction period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying Property, Plant and Equipment) period is included under capital work-in-progress, the same has been allocated to the respective Property, Plant and Equipment on the completion of construction. Advances given towards acquisition or construction of Property, Plant and Equipment outstanding at each reporting date are disclosed as Capital Advances under "Other Non-current Assets".

The estimated useful lives are mentioned as under -

| Type of Asset | Useful lives |
|------------------------|-----------------------|
| Freehold Land | Non Depreciable Asset |
| Building | 10 - 30 years |
| Plant and Machinery | 15 years |
| Vehicles | 8 years |
| Equipment | 3 - 6 years |
| Furniture and Fixtures | 10 years |
| Electric Installation | 10 years |

1.4 Intangible Assets:

Intangible assets acquired separately are measured on initial recognized at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognized, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Intangible assets are amortized over their respective estimated useful life which reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortizable intangibles is reviewed at the end of each reporting period and change in estimates if any are accounted for on a prospective basis.

The estimated useful lives of intangibles are as mentioned below:

| Type of intangible asset | Useful life |
|--------------------------|-------------|
| Software | 6 years |

1.5 Financial Instruments**Financial assets****Initial recognition and measurement**

All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost.

Subsequent measurement

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognized of the original liability and the recognized of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

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

1.6 Impairment of assets:

Financial Asset

A financials Asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events had a negative effect on the estimated future cash flows of that asset.

Non-Financial Asset

The carrying amount of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the assets recoverable amount is estimated. An impairment loss is recognized, as an expense in the statement of profit and loss, for the amount by which the asset carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset fair value less cost to sale and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets.

An impairment loss is reversed if there is any change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment has been recognized.

1.7 Inventories:

- a. Inventories are valued at the lower of cost and net realizable value. Cost of raw materials, packing materials and stores, spares and consumables includes all charges incurred in bringing the goods to the warehouse, including any levies, transit insurance and receiving charges.
- b. Costs of Finished Goods and Work-in-Progress are determined on specific identification basis by taking material cost [net of GST], labour and relevant appropriate overheads. Cost of raw materials and packing material are determined on specific identification basis by taking material cost [net of GST].

1.8 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at banks, short-term deposits (with an original maturity of three months or less from the date of acquisition), and which are subject to insignificant risk of changes in value.

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

1.9 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

1.10 Earnings Per Share:

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is the same as basic earnings per share as the company does not have any dilutive potential equity shares outstanding. The number of equity shares are adjusted for share splits and bonus shares, as appropriate.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

1.11 Taxes on Income:

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit and loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

1.12 Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognized only when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liability

It is disclosed for :

- a. Possible obligations which will be confirmed only by future events not wholly within the control of the company, or
- b. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

1.13 Leases:

The Company has adopted Ind AS 116 "Leases". At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a written down value basis over the lease term. Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the written down value method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

1.14 Foreign currency transactions and translation:

Transactions in foreign currencies entered into by the Company are accounted for at the exchange rate prevailing at the date of transaction. Foreign currency monetary assets and liabilities remaining unsettled at the end of the year are translated at the exchange rate prevailing at the end of the year. All differences arising on settlement/restatement are adjusted in the statement of profit and loss.

1.15 Employee Benefits:

(A) **Defined contribution plan:** The Company's contribution to provident fund and employee state insurance scheme are defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

(B) **Defined benefit obligations plan:**

(i) The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation done by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in Other comprehensive income in the period in which they occur.

(ii) The Company also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Provision for compensated absences is made on the basis of actuarial valuation carried out at the Balance Sheet date. The Company recognises actuarial gains and losses that arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation, in the statement of Profit and Loss, as income or expense.

(C) **Short-term employee benefits**

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. which are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

1.16 Measurement of Profit before interest, tax, depreciation and amortisation

The Company has opted to present profit before interest (finance cost), tax, depreciation and amortization as a separate line item on the face of the Statement of Profit and Loss for the year. The Company measures profit before interest (finance cost), tax, depreciation and amortization based on profit/(loss) from continuing operations.

1.17 Recent Pronouncements for Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023 as below.

Amendments to existing Ind AS:

Ind AS 1 – Presentation of Financial Statements

The amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and the impact of this amendment is insignificant in the company's financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Statement of changes in equity**Note 1****A. Equity Share Capital**

(Rs in Million)

| Particulars | Amount |
|---------------------------------|--------|
| As at April 1, 2021 | 57.28 |
| Changes in equity share capital | - |
| As at March 31, 2022 | 57.28 |
| Changes in equity share capital | - |
| As at March 31, 2023 | 57.28 |
| Changes in equity share capital | - |
| As at March 31, 2024 | 57.28 |

B. Other Equity

(Rs in Million)

| Particulars | Retained Earnings | Securities Premium | Total Equity |
|--|-------------------|--------------------|--------------|
| As at April 1, 2021 | 180.02 | 95.35 | 275.37 |
| Add: Profit for the year | 204.26 | - | 204.26 |
| Add: Other comprehensive income for the year | (0.02) | - | (0.02) |
| Add/(Less): Adjustment due to Currency Exchange Rate Fluctuation | 0.95 | - | 0.95 |
| As at March 31, 2022 | 385.21 | 95.35 | 480.56 |
| Add: Profit for the year | 630.05 | - | 630.05 |
| Add: Other comprehensive income for the year | 0.29 | - | 0.29 |
| Add/(Less): Adjustment due to Currency Exchange Rate Fluctuation | 5.56 | - | 5.56 |
| As at March 31, 2023 | 1,021.11 | 95.35 | 1,116.46 |
| Add: Profit for the year | 1,107.99 | - | 1,107.99 |
| Add: Other comprehensive income for the year | (0.49) | - | (0.49) |
| Add/(Less): Adjustment due to Currency Exchange Rate Fluctuation | 2.19 | - | 2.19 |
| As at March 31, 2024 | 2,130.81 | 95.35 | 2,226.15 |

The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached

For R R S & Associates
Chartered Accountants
Firm Reg. No.118336W

Rajesh Shah
Partner
M.No.034549



For and on behalf of the Board of Directors
KUMAR ARCH TECH LIMITED

Shubham Taylia
Managing Director
DIN: 02416429

Vikram Singh Sankhla
Chief Financial Officer

Shakun Taylia
Whole Time Director
DIN: 01974241

Rahul Ranka
Company Secretary and Compliance
Officer
M.No: A38416

Place: Ahmedabad
Date: 26/09/2024

Place: Ahmedabad
Date: 26/09/2024

KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Note 2: Property, Plant and Equipment & Intangible Asset

(a) Property, Plant and Equipment :

(Rs in Million)

| Particulars | Freehold Land | Buildings | Plant & Machinery | Solar Plant | Vehicles | Equipment | Furnitures and Fixtures | Computer | Total | Right of use assets |
|--|---------------|-----------|-------------------|-------------|----------|-----------|-------------------------|----------|--------|---------------------|
| Gross carrying amount: (Deemed Cost) | | | | | | | | | | |
| As at April 1, 2021 | 30.42 | 44.09 | 171.16 | - | 4.94 | 0.43 | 0.17 | 0.75 | 251.96 | - |
| Additions during the year | 14.39 | 0.64 | 8.08 | 41.32 | - | 0.10 | - | 0.05 | 64.58 | - |
| Disposal/Deductions during the year | - | 1.11 | - | - | - | - | - | - | 1.11 | - |
| As at March 31, 2022 | 44.82 | 43.62 | 179.24 | 41.32 | 4.94 | 0.53 | 0.17 | 0.80 | 315.44 | - |
| Additions during the year | 22.11 | - | 50.39 | - | - | 0.11 | 0.22 | 0.22 | 73.04 | - |
| Disposal/Deductions during the year | - | - | 8.22 | - | - | - | - | - | 8.22 | - |
| As at March 31, 2023 | 66.92 | 43.62 | 221.41 | 41.32 | 4.94 | 0.64 | 0.38 | 1.02 | 380.26 | - |
| Additions during the year | 83.55 | 146.72 | 121.59 | - | - | 1.38 | 0.15 | 0.84 | 354.24 | 2.07 |
| Disposal/Deductions during the year | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2024 | 150.48 | 190.34 | 343.01 | 41.32 | 4.94 | 2.02 | 0.54 | 1.86 | 734.51 | 2.07 |
| Accumulated depreciation: | | | | | | | | | | |
| As at April 1, 2021 | - | - | - | - | - | - | - | - | - | - |
| Additions during the year | - | 2.08 | 27.59 | 0.05 | 0.78 | 0.10 | 0.05 | 0.29 | 30.96 | - |
| Disposal/Deductions during the year | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2022 | - | 2.08 | 27.59 | 0.05 | 0.78 | 0.10 | 0.05 | 0.29 | 30.96 | - |
| Additions during the year | - | 2.08 | 28.60 | 2.62 | 0.78 | 0.12 | 0.06 | 0.25 | 34.52 | - |
| Disposal/Deductions during the year | - | - | 2.05 | - | - | - | - | - | 2.05 | - |
| As at March 31, 2023 | - | 4.17 | 54.15 | 2.67 | 1.57 | 0.22 | 0.11 | 0.54 | 63.43 | - |
| Additions during the year | - | 3.69 | 44.63 | 2.62 | 0.78 | 0.37 | 0.05 | 0.36 | 52.49 | 0.49 |
| Disposal/Deductions during the year | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2024 | - | 7.85 | 98.78 | 5.29 | 2.35 | 0.59 | 0.16 | 0.90 | 115.92 | 0.49 |
| Net carrying amount | | | | | | | | | | |
| As at March 31, 2022 | 44.82 | 41.53 | 151.65 | 41.27 | 4.16 | 0.43 | 0.12 | 0.51 | 284.48 | - |
| As at March 31, 2023 | 66.92 | 39.45 | 167.26 | 38.65 | 3.38 | 0.42 | 0.27 | 0.48 | 316.84 | - |
| As at March 31, 2024 | 150.48 | 182.48 | 244.23 | 36.03 | 2.59 | 1.43 | 0.38 | 0.96 | 618.59 | 1.58 |
| (b) Capital work in progress | | | | | | | | | | |
| As at April 1, 2021 | - | - | 0.64 | - | - | - | - | - | 0.64 | - |
| Addition during the year/period | - | 8.65 | 31.67 | - | - | - | - | - | 40.32 | - |
| Capitalised /Disposal during the year/period | - | - | 0.64 | - | - | - | - | - | 0.64 | - |
| As at March 31, 2022 | - | 8.65 | 31.67 | - | - | - | - | - | 40.32 | - |
| Addition during the year/period | - | 23.90 | 47.75 | - | - | - | - | - | 71.65 | - |
| Capitalised /Disposal during the year/period | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2023 | - | 32.55 | 79.42 | - | - | - | - | - | 111.97 | - |
| Addition during the year/period | - | 5.42 | - | - | - | - | - | - | 5.42 | - |
| Capitalised /Disposal during the year/period | - | 37.98 | 79.42 | - | - | - | - | - | 117.40 | - |
| As at March 31, 2024 | - | 0.00 | (0.00) | - | - | - | - | - | 0.00 | - |

Assets pledged as security

- Hypothecation of entire plant and machinery & other fixed assets of the company both present and future.
- Equitable Mortgage on Factory land & building situated at B-2, RIICO Industrial Area Gudli in the name of Kumar Arch Tech Limited Admeasuring Total Area 7835 Sqmt.
- Equitable Mortgage on Factory land & building situated at E-92, RIICO Industrial Area Gudli in the name of Kumar Arch Tech Limited Admeasuring Total Area 4632 Sqmt.
- Equitable Mortgage on Factory land & building situated at E-37, RIICO Industrial Area Gudli in the name of Kumar Arch Tech Limited Admeasuring Total Area 4000 Sqmt.

Ageing of Capital Wrok-in-Progress

(Rs in Million)

| Capital work in progress | Amount of assets under development for a period of | | | | Total |
|-----------------------------|--|----------|----------|------------------|--------|
| | Less than 1 year | 1-2 year | 2-3 year | More than 3 year | |
| As at March 31, 2022 | 40.32 | - | - | - | 40.32 |
| As at March 31, 2023 | 71.65 | 40.32 | - | - | 111.97 |
| As at March 31, 2024 | - | - | - | - | - |



| KUMAR ARCH TECH LIMITED | | |
|---|------------------------|--------------|
| (Formerly known as Kumar Arch Tech Private Limited) | | |
| CIN: U36999GJ1998PLC033735 | | |
| Restated Consolidated Notes on Financial Information | | |
| (c): Intangible Assets : | | |
| | (Rs in Million) | |
| Particulars | Software | Total |
| Gross carrying amount: | | |
| As at April 1, 2021 | 0.21 | 0.21 |
| Additions during the year | - | - |
| Deductions during the year | - | - |
| As at March 31, 2022 | 0.21 | 0.21 |
| Additions during the year | - | - |
| Deductions during the year | - | - |
| As at March 31, 2023 | 0.21 | 0.21 |
| Additions during the year | - | - |
| Deductions during the year | - | - |
| As at March 31, 2024 | 0.21 | 0.21 |
| | | |
| Accumulated depreciation: | | |
| As at April 1, 2021 | - | - |
| Additions during the year | 0.08 | 0.08 |
| Deductions during the year | - | - |
| As at March 31, 2022 | 0.08 | 0.08 |
| Additions during the year | 0.07 | 0.07 |
| Deductions during the year | - | - |
| As at March 31, 2023 | 0.15 | 0.15 |
| Additions during the year | 0.04 | 0.04 |
| Deductions during the year | - | - |
| As at March 31, 2024 | 0.19 | 0.19 |
| | | |
| Net carrying amount | | |
| As at March 31, 2022 | 0.13 | 0.13 |
| As at March 31, 2023 | 0.06 | 0.06 |
| As at March 31, 2024 | 0.02 | 0.02 |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Note 3: Income Tax and Deferred Tax

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
|--|-------------------------|-------------------------|-------------------------|------------------------|
| (a) Total Tax recognised in the Statement of Profit and Loss: | | | | |
| Current Income Tax: | 314.68 | 215.88 | 54.09 | 27.25 |
| Deferred Tax charge | (8.97) | (4.29) | (6.70) | |
| Tax Expenses reported in the Statement of Profit or Loss | 305.71 | 211.60 | 47.39 | 27.25 |
| (b) Tax expenses reported in Other Comprehensive Income (OCI) | | | | |
| Tax on net loss(gain) on remeasurement of defined benefit plan | 0.17 | (0.10) | 0.01 | |
| | 0.17 | (0.10) | 0.01 | - |
| (c) Reconciliation of estimated income tax expenses at Indian Statutory Income Tax Rate to Income Tax expenses reported in the Statement of Profit & Loss | | | | |
| Accounting Profit before income tax | 1,413.70 | 841.64 | 251.65 | - |
| Expected income tax expenses | 319.36 | 198.27 | 48.30 | - |
| Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense: | | | | |
| Expense disallowed (net) | (30.74) | 1.32 | 1.28 | - |
| Other | (10.16) | (4.88) | (6.00) | - |
| Total tax expenses reported in the Statement of Profit or Loss | 278.46 | 194.71 | 43.58 | - |
| (d) Deferred Tax Assets/(Liabilities) | | | | |
| Impact of Expenditure charged to the Statement of Profit and Loss in the Current Year but allowed for tax purpose on payment basis | (0.49) | 0.09 | (0.01) | - |
| Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting | 3.53 | 11.99 | 16.28 | 22.98 |
| Lease Liability | 0.04 | | | |
| Right of use assets | (0.15) | | | |
| Provision for doubtful debts and advances | | | | |
| Deferred Tax Assets/(Liabilities) | 2.94 | 12.08 | 16.27 | 22.98 |

(e) Movement in Deferred tax Assets/(Liabilities) relates to :

(Rs in Million)

| Particulars | Right of use Assets | Lease Liability | Employee Benefit | Property, Plant and Equipment and Intangible Assets | Total |
|---------------------------------|------------------------|-----------------|------------------|--|-------------|
| At April 1, 2021 | - | - | - | 22.98 | 22.98 |
| Charged/(Credited) | | | | | |
| - To Profit or Loss | - | - | - | 6.70 | 6.70 |
| - To other comprehensive Income | - | - | 0.01 | - | 0.01 |
| At March 31, 2022 | - | - | (0.01) | 16.28 | 16.27 |
| Charged/(Credited) | | | | | |
| - To Profit or Loss | | - | - | 4.29 | 4.29 |
| - To other comprehensive Income | | - | (0.10) | - | (0.10) |
| At March 31, 2023 | - | - | 0.09 | 11.99 | 12.08 |
| Charged/(Credited) | | | | | |
| - To Profit or Loss | 0.15 | (0.04) | 0.41 | 8.46 | 8.97 |
| - To other comprehensive Income | - | - | 0.17 | - | 0.17 |
| At March 31, 2024 | (0.15) | 0.04 | (0.49) | 3.53 | 2.94 |



KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Notes on Financial Information

Note 4: Cash and Cash Equivalents

(Rs in Million)

| Particulars | As at | As at | As at | As at |
|--|----------------|----------------|----------------|---------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | April 1, 2021 |
| (a) Cash and cash equivalents | | | | |
| Balances with banks in current accounts | 175.82 | 288.36 | 20.89 | 37.84 |
| Cash on hand | 4.74 | 6.52 | 3.50 | 3.46 |
| | 180.56 | 294.88 | 24.39 | 41.30 |
| (b) Bank Balances other than Cash and cash Equivalents | | | | |
| Fixed deposit with original maturity of more than 3 months but less than 12 months | - | - | - | - |
| Total | - | - | - | - |
| Total | 180.56 | 294.88 | 24.39 | 41.30 |

Note 5: Other Financial Assets

(Rs in Million)

| Particulars | As at | As at | As at | As at |
|---|----------------|----------------|----------------|---------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | April 1, 2021 |
| Non Current | | | | |
| Security deposits | 13.94 | 13.34 | 7.83 | 7.72 |
| In Term Deposit Accounts with Original maturity more than 12 Months | 521.52 | 78.91 | 63.83 | 32.81 |
| | 535.46 | 92.26 | 71.66 | 40.54 |
| Current | | | | |
| Goods and services tax credit receivable | 5.60 | - | - | - |
| | 5.60 | - | - | - |
| Total | 541.06 | 92.26 | 71.66 | 40.54 |

Note 6: Other Current Assets

(Rs in Million)

| Particulars | As at | As at | As at | As at |
|---|----------------|----------------|----------------|---------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | April 1, 2021 |
| Non-current | | | | |
| Capital Advances | 72.79 | 27.70 | 31.21 | 31.18 |
| | 72.79 | 27.70 | 31.21 | 31.18 |
| Current | | | | |
| Balances with government authorities | | | | |
| Goods and services tax credit receivable | 69.03 | 49.59 | 55.36 | 60.35 |
| Advances to supplier | 10.76 | 26.62 | 33.11 | 9.47 |
| Advances to employees | 1.14 | 1.20 | 1.18 | 0.58 |
| Other Current Assets | - | - | 17.08 | - |
| Prepaid expenses | 0.60 | 0.31 | 0.98 | 0.24 |
| | 81.53 | 77.72 | 107.71 | 70.64 |
| Total | 154.32 | 105.43 | 138.92 | 101.82 |



| KUMAR ARCH TECH LIMITED | | | | |
|---|-------------------------|-------------------------|-------------------------|------------------------|
| (Formerly known as Kumar Arch Tech Private Limited) | | | | |
| CIN: U36999GJ1998PLC033735 | | | | |
| Restated Consolidated Notes on Financial Information | | | | |
| Note 7: Inventories | | | | |
| <i>(Cost or net realisable value whichever is lower)</i> | | | | |
| | (Rs in Million) | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Raw Material | 239.50 | 120.84 | 144.94 | 75.74 |
| Work-in-progress | 29.45 | 13.26 | 20.80 | 18.23 |
| Finished goods | 230.30 | 36.09 | 78.90 | 50.63 |
| Reusable Waste | 8.34 | 1.77 | - | - |
| Stores, spares & consumables | 7.98 | 3.70 | 2.01 | 2.11 |
| Packing Material | 4.93 | 10.37 | 5.59 | 5.23 |
| Stock in Trade | 29.00 | 15.30 | 16.00 | - |
| Stock in Transit | 190.12 | 197.73 | 135.65 | 91.21 |
| Total | 739.62 | 399.07 | 403.89 | 243.15 |
| Mode of Valuation - Refer note no. 1.7 of the significant accounting policies | | | | |
| Note 8: Trade Receivables | | | | |
| | (Rs in Million) | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Secured Considered good | - | - | - | - |
| Unsecured Considered good | 707.18 | 653.26 | 454.77 | 140.35 |
| Trade Receivables which have significant increase in Credit Risk | - | - | - | - |
| Trade Receivables-credit impaired | - | - | - | - |
| | 707.18 | 653.26 | 454.77 | 140.35 |
| Less: Allowance for doubtful debt (expected credit loss) | - | - | - | - |
| Net Total Debtors | 707.18 | 653.26 | 454.77 | 140.35 |
| Receivable from related parties (Refer note 29) | 102.07 | 106.28 | 71.97 | 65.03 |
| Others | 605.10 | 546.98 | 382.80 | 75.32 |
| Total Trade Receivables | 707.18 | 653.26 | 454.77 | 140.35 |
| Trade Receivable ageing schedule: | | | | |
| | (Rs in Million) | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Trade Receivables Undisputed, Considered Good | | | | |
| Upto 6 Months | 550.45 | 608.28 | 421.60 | 124.43 |
| 6 Months - 1 year | 100.94 | 10.01 | 23.28 | 7.41 |
| 1 Year - 2 years | 28.02 | 27.11 | 4.60 | 5.35 |
| 2 Years - 3 years | 21.26 | 1.35 | 2.48 | 1.49 |
| More Than 3 years | 6.50 | 6.51 | 2.81 | 1.67 |
| Trade Receivables Disputed, Considered Good | | | | |
| Upto 6 Months | - | - | - | - |
| 6 Months - 1 year | - | - | - | - |
| 1 Year - 2 years | - | - | - | - |
| 2 Years - 3 years | - | - | - | - |
| More Than 3 years | - | - | - | - |
| Total | 707.18 | 653.26 | 454.77 | 140.35 |



KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Notes on Financial Information

Note 9: Equity Share Capital

(Rs in Million)

| Particulars | As at | As at | As at | As at |
|--|----------------|----------------|----------------|---------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | April 1, 2021 |
| Authorised: | | | | |
| 60,00,000 Equity shares of Rs. 10/- each | 60.00 | 60.00 | 60.00 | 60.00 |
| Total | 60.00 | 60.00 | 60.00 | 60.00 |
| Issued, Subscribed and Fully Paid-up: | | | | |
| 57,27,540 (Previous Year 57,27,540) Equity shares of Rs. 10/- each | 57.28 | 57.28 | 57.28 | 57.28 |
| Total | 57.28 | 57.28 | 57.28 | 57.28 |

9.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

| Particulars | No. of equity shares | No. of equity shares | No. of equity shares | No. of equity shares |
|--|----------------------|----------------------|----------------------|----------------------|
| Shares outstanding at the beginning of the year/period | 5,727,540 | 5,727,540 | 5,727,540 | 5,727,540 |
| Issued during the year/period | - | - | - | - |
| Shares outstanding at the end of the year/period | 5,727,540 | 5,727,540 | 5,727,540 | 5,727,540 |

9.2 Details of shareholders holding more than 5 % equity shares in the company

| Name of the shareholder | As at March 31, 2024 | | As at March 31, 2023 | | As at March 31, 2022 | |
|----------------------------------|---------------------------|-------------------|---------------------------|-------------------|---------------------------|-------------------|
| | No. of equity shares held | % of Shareholding | No. of equity shares held | % of Shareholding | No. of equity shares held | % of Shareholding |
| Jitendra Kumar Taylia | 1817285 | 31.73% | 1817285 | 31.73% | 1817285 | 31.73% |
| M M Thermoplast Pvt Ltd | 1608500 | 28.08% | 1608500 | 28.08% | 1608500 | 28.08% |
| Shubham Taylia | 841440 | 14.69% | 841440 | 14.69% | 841440 | 14.69% |
| Surbhi Taylia | 646670 | 11.29% | 646670 | 11.29% | 646670 | 11.29% |
| Tirupati Balaji Buildcon Pvt Ltd | 494400 | 8.63% | 494400 | 8.63% | 494400 | 8.63% |

9.3 Details of promoters/promoters group shareholding in the company

| Name of the shareholder | As at March 31, 2024 | | | As at March 31, 2023 | | |
|---|---------------------------|-------------------|--------------------------|---------------------------|-------------------|--------------------------|
| | No. of equity shares held | % of Shareholding | % Change during the year | No. of equity shares held | % of Shareholding | % Change during the year |
| Jitendra Kumar Taylia | 1,817,285 | 31.73% | - | 1,817,285 | 31.73% | - |
| M M Thermoplast Pvt Ltd | 1,608,500 | 28.08% | - | 1,608,500 | 28.08% | - |
| Shubham Taylia | 841,440 | 14.69% | - | 841,440 | 14.69% | - |
| Surbhi Taylia | 646,670 | 11.29% | - | 646,670 | 11.29% | - |
| M/s TirupatiBalaji Build- Con Pvt. Ltd. | 494,400 | 8.63% | - | 494,400 | 8.63% | - |
| Madhu Agarwal | 139,750 | 2.44% | - | 139,750 | 2.44% | - |
| Shakun Taylia | 75,000 | 1.31% | - | 75,000 | 1.31% | - |
| Rituraj Pipes and Plastics Pvt. Ltd. | 57,000 | 1.00% | - | 57,000 | 1.00% | - |
| J .S. Construction | 47,495 | 0.83% | - | 47,495 | 0.83% | - |

| Name of the shareholder | As at March 31, 2022 | | | As at April 1, 2021 | | |
|---|---------------------------|-------------------|--------------------------|---------------------------|-------------------|--------------------------|
| | No. of equity shares held | % of Shareholding | % Change during the year | No. of equity shares held | % of Shareholding | % Change during the year |
| Jitendra Kumar Taylia | 1,817,285 | 31.73% | 5.48% | 1,503,535 | 26.25% | - |
| M M Thermoplast Pvt Ltd | 1,608,500 | 28.08% | - | 1,608,500 | 28.08% | - |
| Shubham Taylia | 841,440 | 14.69% | - | 841,440 | 14.69% | - |
| Surbhi Taylia | 646,670 | 11.29% | 5.24% | 346,670 | 6.05% | - |
| M/s TirupatiBalaji Build- Con Pvt. Ltd. | 494,400 | 8.63% | - | 494,400 | 8.63% | - |
| Madhu Agarwal | 139,750 | 2.44% | - | 139,750 | 2.44% | - |
| Shakun Taylia | 75,000 | 1.31% | - | 75,000 | 1.31% | - |
| Rituraj Pipes and Plastics Pvt. Ltd. | 57,000 | 1.00% | - | 57,000 | 1.00% | - |
| J .S. Construction | 47,495 | 0.83% | - | 47,495 | 0.83% | - |

9.4 Terms / Rights attached to the equity shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is eligible for one vote per share. The final dividend, if any, proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

9.5 Subsequent to 31st March, 2024, Authorized Share Capital and Issued, Subscribed & Paid-up share capital of the Company have been sub divided/split from Rs. 10 per share to Rs. 2 per share pursuant to extra ordinary general meeting of the Company held on 1st August, 2024. Accordingly Issued and subscribed share capital of 57,27,540 shares of Rs 10 each is sub divided/split to 2,86,37,700 shares of Rs 2 each. Further, with the approval of shareholders of the Company, the authorised share capital of the Company has been increased from Rs. 60 Million (sub divided into 3,00,00,000 equity shares of nominal value of Rs. 2/-) to Rs. 500 Million (sub divided into 25,00,00,000 equity shares of nominal value of Rs. 2/-). Also the shareholder of the Company approved the issuance of bonus equity shares of face value of Rs 2 per share pursuant to shareholder meeting of the Company held on 6th August 2024, in the proportion of 5 new bonus Equity Shares for every 1 Shares held by the Shareholder. Accordingly Board has made allotment of 14,31,88,500 fully paid new equity shares of Rs. 2 each to the members of the Company on 09th August, 2024

Note 10: Other Equity

(Rs in Million)

| Particulars | As at | As at | As at | As at |
|--------------------|-----------------|-----------------|----------------|---------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | April 1, 2021 |
| Securities Premium | 95.35 | 95.35 | 95.35 | 95.35 |
| Retained earnings | 2,130.81 | 1,021.11 | 385.21 | 180.02 |
| Total | 2,226.15 | 1,116.46 | 480.56 | 275.37 |

Nature and purpose of reserves :

Retained Earnings : Retained Earnings are the profits/(loss) that the company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash: NIL

(b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares:

Securities Premium : The amount received in excess of face value of equity shares is recognised in Securities Premium Reserve. This reserve is available for utilisation in accordance with the provisions of Companies Act, 2013.



Note 11: Provisions

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
|--|-------------------------|-------------------------|-------------------------|------------------------|
| Non-Current | | | | |
| Provision for employee benefits (refer note 28) | | | | |
| Gratuity Payable | 3.27 | 1.69 | 1.54 | 1.22 |
| Leave Benefit | 0.23 | - | - | - |
| | 3.50 | 1.69 | 1.54 | 1.22 |
| Current | | | | |
| Provision for employee benefits (refer note 28) | | | | |
| Gratuity Payable | 0.21 | 0.50 | 0.53 | 0.39 |
| Leave Benefit | 0.01 | - | - | - |
| | 0.22 | 0.50 | 0.53 | 0.39 |
| Total | 3.73 | 2.19 | 2.08 | 1.61 |

Note 12: Trade Payables

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
|------------------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| Trade payables | | | | |
| Due to micro and small enterprises | 4.36 | 4.06 | - | - |
| Due to others | 290.73 | 300.66 | 440.90 | 278.56 |
| Total | 295.09 | 304.73 | 440.90 | 278.56 |

Trade Payable ageing schedule:

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
|----------------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| Undisputed dues of MSME | | | | |
| Not Due | 0.04 | 2.00 | - | - |
| Upto 1 Year | 4.33 | 2.06 | - | - |
| 1-2 Years | - | - | - | - |
| 2-3 Years | - | - | - | - |
| More Than 3 Years | - | - | - | - |
| Undisputed dues of Others | | | | |
| Not Due | - | - | - | - |
| Upto 1 Year | 258.77 | 265.13 | 427.20 | 274.05 |
| 1-2 Years | 16.46 | 26.09 | 9.94 | 1.72 |
| 2-3 Years | 9.15 | 6.21 | 1.08 | 2.78 |
| More Than 3 Years | 6.34 | 3.24 | 2.67 | 0.01 |
| Total | 295.09 | 304.73 | 440.90 | 278.56 |



| KUMAR ARCH TECH LIMITED (Formerly known as Kumar Arch Tech Private Limited) CIN: U36999GJ1998PLC033735 Restated Consolidated Notes on Financial Information | | | | |
|---|---|-------------------------|-------------------------|------------------------|
| Note 13: Borrowings (Rs In Million) | | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Non Current | | | | |
| Secured | | | | |
| Loan from Bank | 0.31 | 89.38 | 114.07 | 65.01 |
| Less: Current Maturity | (0.31) | (60.16) | (38.11) | (16.08) |
| UnSecured | | | | |
| Loan from related parties | - | - | - | - |
| | | 29.22 | 75.96 | 48.93 |
| Current | | | | |
| Secured | | | | |
| Loan from Bank- Working Capital | 295.81 | 187.10 | 166.16 | 76.47 |
| Current Maturity of Long Term Borrowings | 0.31 | 60.16 | 38.11 | 16.08 |
| UnSecured | | | | |
| Loan from related parties | - | 7.49 | 15.80 | 8.88 |
| Loan from Others | 4.52 | 10.01 | - | - |
| | 300.64 | 264.75 | 220.07 | 101.42 |
| Total | 300.64 | 293.97 | 296.03 | 150.35 |
| Note 13.1: Vehicle Loan from Yes Bank are secured by Hypothecation of Vehicle. | | | | |
| Note 13.2: Fund Base Limit from State Bank of India Bank | | | | |
| Particulars | | | | |
| Guarantors | Corporate Guarantor- 1. Tirupati Balaji/Bulldcon Private Limited and 2. S M Enterprises Personal Guarantor- 1. Shri Shubham Taylia S/o Shri Jitendra Kumar Taylia 2. Shri Shakun Taylia D/o Shri Jitendra Kumar Taylia 3. Shri Tulsi Ram Joshi S/o Shri Hagami Lal Joshi 4. Shri Jitendra Kumar Taylia S/o Shri Vijay Lal Agarwal | | | |
| Tenor | 90 days. The cover period of 90 days for Receivables would be extended only in respect of the buyers other than associate / sister concern. Receivables exceeding the above cover period will not be reckoned for computing Drawing Power. Drawing Power will also not be available on unpaid stocks. | | | |
| Primary Security | First charge by way of hypothecation of entire current assets of the company viz. raw material, stock in process, finished goods, consumables, book debt and other current assets both present and future. | | | |
| Secondary Security | 1. Hypothecation of entire plant and machinery & other fixed assets of the company both present and future. 2. Equitable Mortgage on Factory land & building situated at B-2, RIICO Industrial Area Gudli in the name of Kumar Arch Tech Limited Admeasuring Total Area 7835 Sqmt. 3. Equitable Mortgage on Factory land & building situated at E-92, RIICO Industrial Area Gudli in the name of Kumar Arch Tech Limited Admeasuring Total Area 4632 Sqmt. 4. Equitable Mortgage on Factory land & building situated at E-37, RIICO Industrial Area Gudli in the name of Kumar Arch Tech Limited Admeasuring Total Area 4000 Sqmt. | | | |
| Rate of Interest | Cash Credit: Interest at the rate of 0.60% above EBLR and EPC/PCFC/FBD/EBR/FBP: Interest at the rate of 1.15% above T-Bill linked rate | | | |
| Margin | 25% of Stocks and 40% of Receivables cover period 120 days | | | |
| Interest Payment Frequency | monthly | | | |
| Note 13.3: "Long Term Borrowings" payable within 12 months from the reporting date are reduced from "Long term Borrowings and disclosed under "Current Borrowing". | | | | |
| Note 13.4: Interest free Loans from related parties from Directors and other parties are listed in register maintained under section 186 of the Act. There is no stipulation on the repayment of loan. | | | | |
| Note 14: Other Financial Liabilities (Rs In Million) | | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Non Current | | | | |
| Lease Liabilities | 0.94 | - | - | - |
| | 0.94 | - | - | - |
| Current | | | | |
| Lease Liabilities | 0.67 | - | - | - |
| | 0.67 | - | - | - |
| Payables related to Employees | 2.95 | 0.39 | 1.39 | 1.36 |
| Other Financial Liabilities | - | - | 48.34 | - |
| Book Overdraft | 12.81 | - | - | - |
| | 15.76 | 0.39 | 49.73 | 1.36 |
| Total | 17.37 | 0.39 | 49.73 | 1.36 |
| Note 15: Other Liabilities (Rs In Million) | | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Current | | | | |
| Statutory liabilities | 5.32 | 7.14 | 1.75 | 1.12 |
| Advance from Customer | 10.48 | 74.15 | 60.94 | 13.62 |
| Total | 15.81 | 81.29 | 62.70 | 14.74 |
| Note 16: Current Tax Liabilities (Net) (Rs In Million) | | | | |
| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Provision for Taxation (Net of Advance tax) | 23.94 | 105.38 | 13.02 | 17.72 |
| Total | 23.94 | 105.38 | 13.02 | 17.72 |



| KUMAR ARCH TECH LIMITED | | | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|
| (Formerly known as Kumar Arch Tech Private Limited) | | | |
| CIN: U36999GJ1998PLC033735 | | | |
| Restated Consolidated Notes on Financial Information | | | |
| Note 17: Revenue From Operations | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Sale of products | | | |
| In India | 722.44 | 806.27 | 370.21 |
| Outside India | 3,355.52 | 3,264.69 | 2,135.43 |
| Other Operating Income | 0.81 | 1.59 | - |
| Duty Draw Back | 0.16 | 0.73 | - |
| Local Scrap Sale | 0.65 | 0.85 | - |
| Total | 4,078.77 | 4,072.55 | 2,505.64 |
| Note 17.1 Major items of goods sold | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Revenue from sale of products | | | |
| Rigid Foam/ PVC Sheets & Doors & article made thereof | 3,798.77 | 3,261.94 | 2,127.03 |
| Polymer, Chemicals & Others | 280.00 | 810.61 | 378.61 |
| Total | 4,078.77 | 4,072.55 | 2,505.64 |
| Note 18: Other Income | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Interest income | 10.61 | 4.66 | 3.48 |
| Rent income | 1.21 | 1.20 | 0.12 |
| Written-off Account | 6.50 | 0.02 | - |
| Foreign Exchange Gain/(Loss) on Fluctuation (Net) | 64.99 | 65.38 | 34.27 |
| Other Income | 0.77 | 0.26 | 0.01 |
| Profit on Sale of Property, Plant and Equipment | - | 1.02 | 3.89 |
| Total | 84.09 | 72.54 | 41.77 |
| Note 19: Cost of material consumed | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Raw materials Consumed | | | |
| Opening stock | 120.84 | 144.94 | 75.74 |
| Add: Purchases during the year | 1,683.13 | 1,589.18 | 1,469.99 |
| Less: Closing stock | (239.50) | (120.84) | (144.94) |
| Total | 1,564.47 | 1,613.28 | 1,400.78 |
| Note 19.1 Purchase of Imported & Indigenous Raw Material | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Indigenous | 396.04 | 398.94 | 356.83 |
| Indigenous (in %) | 23.53 | 25.10 | 24.27 |
| Import | 1,287.08 | 1,190.24 | 1,113.16 |
| Import (in %) | 76.47 | 74.90 | 75.73 |
| Total | 1,683.13 | 1,589.18 | 1,469.99 |
| Note 20: Purchases of Stock In Trade | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Polymer, Chemicals & Others | 119.85 | 196.61 | 92.59 |
| Total | 119.85 | 196.61 | 92.59 |



| KUMAR ARCH TECH LIMITED | | | |
|---|--|--|--|
| (Formerly known as Kumar Arch Tech Private Limited) | | | |
| CIN: U36999GJ1998PLC033735 | | | |
| Restated Consolidated Notes on Financial Information | | | |
| Note 21: Changes in inventories of Finished goods and Work-in-progress | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Inventories at the beginning of the year | | | |
| Finished goods | 36.09 | 78.90 | 50.63 |
| Stock in Trade | 15.30 | 16.00 | - |
| Work-in-progress | 15.03 | 20.80 | 18.23 |
| Stock in Transit | 197.73 | 135.65 | 91.21 |
| | 264.16 | 251.35 | 160.08 |
| Inventories at the end of the year | | | |
| Finished goods | 230.30 | 36.09 | 78.90 |
| Stock in Trade | 29.00 | 15.30 | 16.00 |
| Work-in-progress | 37.80 | 15.03 | 20.80 |
| Stock in Transit | 190.12 | 197.73 | 135.65 |
| | 487.21 | 264.16 | 251.35 |
| Net (increase)/decrease in stock | (223.06) | (12.81) | (91.27) |
| Note 22: Employee Benefits Expenses | | | |
| (Rs in Million) | | | |
| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
| Salaries, wages and bonus | 32.36 | 21.36 | 17.56 |
| Directors Remuneration | 13.05 | 10.50 | 3.00 |
| Contribution to provident and other funds | 1.52 | 0.82 | 0.77 |
| Staff welfare expenses | 1.02 | 0.46 | 0.26 |
| Total | 47.95 | 33.13 | 21.58 |



KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Notes on Financial Information

Note 23: Other Expenses

(Rs in Million)

| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|
| Power Consumption | 103.23 | 87.83 | 64.67 |
| Consumption of stores and spares | 40.47 | 52.31 | 42.95 |
| Job Work Charges | 246.88 | 226.94 | 27.97 |
| Other Manufacturing Expenses | 24.46 | 17.17 | 12.02 |
| Labour Expenses | 88.84 | 91.06 | 67.78 |
| Packing Material Consumed | 102.43 | 86.29 | 66.07 |
| Insurance Expenses | 1.64 | 2.28 | 2.50 |
| Statutory Audit fee | 0.60 | 0.60 | 0.60 |
| Corporate Social Responsibility Expenses | 8.80 | 2.00 | 1.78 |
| Fire Extinguisher Equipment Exp | 0.15 | - | - |
| Legal & Professional Fee | 20.02 | 7.73 | 5.11 |
| Security Services & Expenses | 2.72 | 1.82 | 1.26 |
| Telephone Expenses | 0.80 | 0.36 | 0.37 |
| Travelling Expenses | 6.05 | 5.59 | 4.57 |
| Repair & Maintenance | 0.51 | 4.87 | 0.45 |
| Bank Charges | 2.63 | 7.14 | 0.44 |
| Other Administrative Expenses | 18.39 | 40.93 | 18.15 |
| Selling & Distribution Expenses | 26.68 | 16.79 | 30.28 |
| Net Gain on Foreign Currency Transactions and Translation (Net) | - | - | - |
| Sea Freight Charges | 215.65 | 476.59 | 277.89 |
| Sales Promotion Expenses | 19.44 | 18.35 | 0.45 |
| Clearing and Forwarding Expense | 201.29 | 208.41 | 144.45 |
| Sales Commission | 2.67 | 2.39 | 15.97 |
| Transportation Expense | 43.10 | 58.85 | 31.80 |
| Total | 1,177.46 | 1,416.30 | 817.51 |

Note 23A: Payment to auditors (Excluding GST)

(Rs in Million)

| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|---------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Statutory Audit fee | 0.60 | 0.60 | 0.60 |

Note 23B: Purchase of Imported & Indigenous Store & Spares

(Rs in Million)

| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Indigenous | 35.48 | 52.12 | 38.78 |
| Indigenous (in %) | 79.30 | 76.66 | 73.14 |
| Import | 9.26 | 15.87 | 14.24 |
| Import (in %) | 20.70 | 23.34 | 26.86 |
| Total | 44.74 | 67.99 | 53.02 |

Note 24: Finance Cost

(Rs in Million)

| Particulars | For the Year ended March 31, 2024 | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|-------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Interest on borrowings | 9.28 | 22.34 | 23.52 |
| Interest on Lease Liabilities | 0.18 | - | - |
| Total | 9.46 | 22.34 | 23.52 |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Note 25 Fair Value Measurement**(i) Financial Assets And Liabilities**

The carrying value and fair value of financial instruments by category is as follows :

(Rs in Million)

| | As at March 31, 2024 | | As at March 31, 2023 | | As at March 31, 2022 | |
|--------------------------------|----------------------|----------------|----------------------|----------------|----------------------|----------------|
| | Fair Value | Carrying Value | Fair Value | Carrying Value | Fair Value | Carrying Value |
| Financial assets : | | | | | | |
| Amortized cost : | | | | | | |
| Trade Receivables | 707.18 | 707.18 | 653.26 | 653.26 | 454.77 | 454.77 |
| Cash and cash equivalents | 180.56 | 180.56 | 294.88 | 294.88 | 24.39 | 24.39 |
| Other Bank Balances | - | - | - | - | - | - |
| Loans | - | - | - | - | - | - |
| Other Financial Assets | 5.60 | 5.60 | - | - | - | - |
| Total | 893.34 | 893.34 | 948.14 | 948.14 | 479.16 | 479.16 |
| Financial liabilities : | | | | | | |
| Amortized cost : | | | | | | |
| Trade payables | 295.09 | 295.09 | 304.73 | 304.73 | 440.90 | 440.90 |
| Other financial liabilities | 15.76 | 15.76 | 0.39 | 0.39 | 49.73 | 49.73 |
| Lease Liabilities | 1.61 | 1.61 | - | - | - | - |
| Short Term Borrowings | 300.64 | 300.64 | 264.75 | 264.75 | 220.07 | 220.07 |
| Long Term Borrowings | - | - | 29.22 | 29.22 | 75.96 | 75.96 |
| Total | 613.10 | 613.10 | 599.09 | 599.09 | 786.66 | 786.66 |

(ii) Investments in Subsidiaries:

a) Investments in Subsidiaries have been accounted at cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have been disclosed at cost in the tables above.

b) Financial Instrument measured at Amortised Cost:

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Note 26 Capital Management

The capital structure of the Company consists of equity, debt, cash and cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. Debt is defined as liabilities comprising interest-bearing loans and borrowings, lease liabilities less cash and bank balances. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows.

(Rs in Million)

| Particulars | As at | As at | As at |
|--|-----------------|-----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Total loans and borrowings | 300.64 | 293.97 | 296.03 |
| Less : Cash and bank balances | 180.56 | 294.88 | 24.39 |
| Adjusted net debt | 120.08 | (0.91) | 271.64 |
| Total equity | 2,283.43 | 1,173.74 | 537.84 |
| Adjusted net debt to adjusted equity ratio | 0.05 | (0.00) | 0.51 |
| Debt equity considering only borrowings as debt | 0.13 | 0.25 | 0.55 |

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024, March 31, 2023 and March 31, 2022.

Note 27: Earning/Expenses in Foreign Currency

(Rs in Million)

| Particulars | As at | As at | As at |
|-------------------------------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Earning in foreign Currency | | | |
| FOB Value of Exports | 1,949.62 | 2,509.85 | 1,700.96 |
| Expenses in foreign Currency | | | |
| CIF Value of Imports | 1241.29 | 965.07 | 646.85 |
| Sales Commission paid | 2.47 | 2.28 | 14.45 |
| Travelling Expenses | 3.53 | 1.94 | 0.94 |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information**Note 28: Employee Benefit Plans:****A) Defined Contribution Plans:**

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized Rs 0.635 Million (Previous Year ended 31.03.23 Rs 0.259 Million and previous year ended 31.03.2022 Rs 0.201 Million) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

The Company made contributions towards Employees State Insurance Scheme operated by the ESIC Corporation. The Company recognized Rs 0.142 Million (Previous year ended 31.03.23 Rs 0.056 Million and previous year ended 31.03.2022 Rs 0.113 Million) for ESIC contributions in the Statement of Profit & Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

B) Defined Benefit Plans:

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with Total ceiling on gratuity of Rs.2 Million

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------------------|---|---|
| (a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation : | | | |
| Obligations at beginning of the year | 2.19 | 2.08 | 1.61 |
| Current Service Cost | 0.56 | 0.34 | 0.33 |
| Past Service Cost | - | - | - |
| Interest Cost | 0.16 | 0.15 | 0.11 |
| Actuarial (gain)/loss | - | - | - |
| - Due to change in Financial Assumptions | 0.07 | (0.03) | (0.08) |
| - Due to experience adjustments | 0.59 | (0.35) | 0.11 |
| Benefits paid | (0.09) | - | - |
| Obligations at the end of the year | 3.48 | 2.19 | 2.08 |
| (b) Expense recognised in the statement of profit and loss for the year : | | | |
| Service Cost | 0.56 | 0.34 | 0.33 |
| Interest Cost | 0.16 | 0.15 | 0.11 |
| Expense charged to the statement of profit and loss | 0.72 | 0.49 | 0.44 |
| (c) Expense recognised in other comprehensive income for the year : | | | |
| Return on plan assets excluding amounts included in net interest expense | - | - | - |
| Actuarial (gain)/loss | - | - | - |
| - Due to change in Financial Assumptions | 0.07 | (0.03) | (0.08) |
| - Due to experience adjustments | 0.59 | (0.35) | 0.11 |
| Expense charged to other comprehensive income | 0.66 | (0.38) | 0.03 |
| Assumptions: | | | |
| Discount rate | 7.10% | 7.35% | 7.19% |
| Estimated rate of return on plan assets | 0.00% | 0.00% | 0.00% |
| Annual increase in salary costs | 5.00% | 5.00% | 5.00% |
| Mortality Rate | Indian Assured Lives Mortality | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |
| Retirement age | 58 years | 58 years | 58 years |
| Sensitivity Analysis: | | | |
| Impact on defined benefit obligation | | | |
| Increase of +0.5% in discount rate | 32.23 | 20.02 | 19.05 |
| Decrease of +0.5% in discount rate | 37.77 | 24.11 | 22.86 |
| Increase of +0.5% in salary escalation rate | 36.99 | 23.81 | 22.56 |
| Decrease of +0.5% in salary escalation rate | 32.58 | 20.17 | 19.20 |
| Expected future Cash outflows towards the plan are as follows : | | | |
| Year 1 | 0.21 | 0.50 | 0.53 |
| Year 2 | 0.17 | 0.08 | 0.15 |
| Year 3 | 0.18 | 0.08 | 0.07 |
| Year 4 | 2.00 | 0.09 | 0.08 |
| Year 5 | 0.09 | 0.55 | 0.08 |
| Year 6 to 10 | 0.55 | 0.44 | 0.81 |

Notes:

- The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.
- The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.



| KUMAR ARCH TECH LIMITED | | | | |
|---|--|-----------------------------|-----------------------------|----------------------------|
| (Formerly known as Kumar Arch Tech Private Limited) | | | | |
| CIN: U36999GJ1998PLC033735 | | | | |
| Restated Consolidated Notes on Financial Information | | | | |
| Note 29: Related Party Disclosures | | | | |
| A) List of Related Parties and description of their relationship are as follows: | | | | |
| Nature of Relationship | | | | |
| 1. Key Managerial Personnel | | | | |
| Mr. Shubham Taylia | Managing Director | | | |
| Mrs. Shakun Taylia | Whole Time Director | | | |
| Mr. Jitendra Kumar Taylia | Chairman & Whole Time Director | | | |
| Mr. Vikram Sankhla | Chief Financial Officer | | | |
| Mr. Rahul Ranka | Company Secretary & Compliance Officer | | | |
| 2. Relatives of KMP/Directors | | | | |
| V K Agarwal HUF | | | | |
| VINAYAK BUILDERS | | | | |
| J K Taylia | | | | |
| Madhu Agarwal | | | | |
| Naina Bhushan | | | | |
| Nikhil Nahar | | | | |
| Surbhi Taylia | | | | |
| 3. Entities in which the KMP or relative of KMP can exercise significant influence | | | | |
| Rituraj Pipes & Plastics Pvt Ltd. | | | | |
| Mm Thermplast Pvt Ltd | | | | |
| Tirupati Balaji Build Con Pvt Ltd | | | | |
| Ida Origins Opc Pvt Ltd | | | | |
| Green Arch Tech Pvt Ltd | | | | |
| Apexen Foundation Of Medical Science | | | | |
| J S Construction | | | | |
| S M Enterprises | | | | |
| V K Agarwal Huf | | | | |
| Vinayak Builders Huf | | | | |
| B) Total transactions with related parties are as follows: | | | | (Rs in Million) |
| Particulars | Group Company | | | |
| | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
| (A) Nature of transactions | | | | |
| Sales of Goods | 44.47 | 97.62 | 128.25 | 65.18 |
| Rent Income | 1.20 | 1.20 | - | - |
| Other Income | - | - | - | - |
| Purchase of Goods | 111.94 | 50.55 | 33.77 | 2.79 |
| Job Work Charges | 1.32 | 17.10 | 19.50 | 16.36 |
| Man Power Supply | 13.73 | 14.40 | 11.97 | 10.21 |
| Stores and Spares Expenses | 0.04 | - | 0.03 | - |
| Repair and Maintenance Expenses | 0.05 | - | 0.08 | - |
| Rent Expenses | 0.16 | - | - | - |
| Interest Expense | 0.07 | 0.06 | 0.06 | 0.07 |
| Remuneration | 10.50 | 10.50 | 3.00 | 3.00 |
| Salary Expenses | 13.05 | 6.90 | 3.00 | 3.00 |
| CSR Expenses | 8.80 | 2.00 | 1.78 | 1.71 |
| Sale of Capital Goods | - | 1.30 | 0.25 | 0.41 |
| Purchase of Capital Goods | 0.02 | 0.54 | 0.59 | - |
| Loan Taken | - | - | 18.40 | 7.80 |
| Loan Repaid | 3.40 | 8.15 | 11.26 | 6.48 |
| (B) Balances at the end of the year | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 | As at April 1, 2021 |
| Unsecured loan | 0.00 | 3.01 | 11.60 | 4.47 |
| Trade Payable | 17.82 | 10.52 | 0.05 | 0.17 |
| Trade Receivable | 102.07 | 107.96 | 73.38 | 65.03 |



| KUMAR ARCH TECH LIMITED | | | | |
|---|----------------|----------------|----------------|----------------|
| (Formerly known as Kumar Arch Tech Private Limited) | | | | |
| CIN: U36999GJ1998PLC033735 | | | | |
| Restated Consolidated Notes on Financial Information | | | | |
| C) Transactions with related parties are as follows: | | | | |
| (Rs in Million) | | | | |
| Particulars | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
| Rituraj Pipes and Plastics P Ltd | | | | |
| Sale of Goods | 43.98 | 94.48 | 116.02 | 49.02 |
| Rent Income | 1.20 | 1.20 | - | - |
| purchase of goods | 61.60 | 50.55 | 33.77 | 2.79 |
| job work charges | 1.32 | 17.10 | 19.50 | 16.36 |
| store & spares expenses | 0.04 | - | 0.03 | - |
| repair & maint. Expenses | 0.05 | - | 0.08 | 0.00 |
| sale of capital goods | - | 1.30 | 0.25 | 0.41 |
| purchase of capital goods | 0.02 | 0.54 | 0.59 | - |
| M M Thermoplast P Ltd | | | | |
| Sales of Goods | - | 3.14 | 12.24 | 16.16 |
| Man Power Supply | 1.87 | 2.01 | 2.71 | 3.82 |
| Tirupati Balaji Buildcon P Ltd | | | | |
| Sales of Goods | 0.49 | - | - | - |
| Man Power Supply | 2.93 | 3.31 | 3.38 | 2.86 |
| rent expenses | 0.16 | - | - | - |
| APEXEN FOUNDATION OF MEDICAL | | | | |
| CSR Expenses | 8.80 | 2.00 | 1.78 | 1.71 |
| S M Enterprises | | | | |
| Purchase of Goods | 50.34 | - | - | - |
| Man Power Supply | 2.96 | 3.11 | 2.36 | 1.26 |
| J S Construction | | | | |
| Man Power Supply | 4.02 | 3.77 | 2.39 | 0.77 |
| loan repaid | - | - | - | 1.22 |
| V K Agarwal HUF | | | | |
| Interest | 0.07 | 0.06 | 0.06 | 0.07 |
| Loan Repaid | 0.38 | - | - | - |
| Vinayak Builders | | | | |
| Man Power Supply | 1.95 | 2.20 | 1.12 | 1.51 |
| Loan Repaid | - | 1.00 | - | - |
| loan taken | - | - | 1.00 | - |
| J K Taylia | | | | |
| SALARY | 9.60 | 4.80 | 1.80 | 1.80 |
| Loan Repaid | 0.39 | 5.20 | 8.80 | - |
| loan taken | - | - | 14.10 | - |
| Madhu Agarwal | | | | |
| SALARY | 0.90 | - | - | - |
| Loan Repaid | 0.24 | 1.50 | - | 1.26 |
| loan taken | - | - | - | 3.00 |
| Shubham Taylia | | | | |
| Remuneration | 9.60 | 9.60 | 3.00 | 3.00 |
| Loan Repaid | - | - | 2.00 | - |
| Loan Taken | - | - | - | 2.00 |
| Naina Bhushan | | | | |
| SALARY | 1.20 | 1.20 | 1.20 | 1.20 |
| Shakun Taylia | | | | |
| Remuneration | 0.90 | 0.90 | - | - |
| Loan Taken | - | - | 1.30 | - |
| Loan Repaid | 0.39 | 0.45 | 0.46 | - |
| Nikhil Nahar | | | | |
| Loan Repaid | 2.00 | - | - | - |
| Loan Taken | - | - | 2.00 | - |
| Surbhi Taylia | | | | |
| SALARY | 1.35 | 0.90 | - | - |
| Vijay Educational Trust | | | | |
| Loan taken | - | - | - | 2.80 |
| loan Repaid | - | - | - | 4.00 |



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| KUMAR ARCH TECH LIMITED (Formerly known as Kumar Arch Tech Private Limited) CIN: U36999GJ1998PLC033735 Restated Consolidated Notes on Financial Information |
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D) Balances with related parties at end of the year:

| Particulars | (Rs in Million) | | | |
|---|-----------------|---------|---------|---------|
| | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
| Rituraj Pipes and Plastics P Ltd | | | | |
| Trade Receivables | 43.64 | 49.01 | 35.53 | 29.17 |
| Trade Payables | 9.70 | 1.29 | 0.05 | - |
| M M Thermoplast P Ltd | | | | |
| Trade Receivables | 45.43 | 37.49 | 30.49 | 30.03 |
| Tirupati Balaji Buildcon P Ltd | | | | |
| Trade Payable | 0.20 | 1.32 | - | 0.00 |
| Trade Receivables | 0.00 | 5.56 | 0.74 | 1.78 |
| IDA Origins OPC P Ltd | | | | |
| Trade Receivables | 4.31 | 4.31 | 3.79 | 3.79 |
| S M Enterprises | | | | |
| Trade Receivables | 8.69 | 8.15 | 0.82 | 0.06 |
| Trade Payable | - | 5.40 | - | - |
| J S Construction | | | | |
| Trade Payable | 7.92 | 2.50 | - | - |
| Trade Receivables | - | 1.77 | 0.99 | 0.20 |
| V K Agarwal HUF | | | | |
| Unsecured loan taken | - | 0.38 | 0.44 | 0.44 |
| Vinayak Builders | | | | |
| Trade Receivables | - | 1.68 | 1.02 | - |
| Trade Payable | - | - | - | 0.17 |
| Unsecured loan taken | - | - | 1.00 | - |
| J K Taylia | | | | |
| Unsecured loan taken | - | 0.39 | 5.59 | 0.29 |
| Shakun Taylia | | | | |
| Unsecured loan taken | - | - | 0.84 | - |
| Nikhil Nahar | | | | |
| Unsecured loan taken | - | 2.00 | 2.00 | - |
| Madhu Agarwal | | | | |
| Unsecured loan taken | - | 0.24 | 1.74 | 1.74 |
| Shubham Taylia | | | | |
| Unsecured loan taken | - | - | - | 2.00 |



KUMAR ARCH TECH LIMITED
(Formerly known as Kumar Arch Tech Private Limited)
CIN: U36999GJ1998PLC033735
Restated Consolidated Notes on Financial Information

Note 30: Micro Small & Medium Enterprises

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2024 and March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| a) The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| Principal amount due remaining unpaid | 4.36 | 4.06 |
| Interest amount due remaining unpaid | - | - |
| b) The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| d) The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act. | - | - |

Note 31: Other statutory information

- The Group is not declared as a wilful defaulter by any bank or financial institution or other lender during any reporting period.
- The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- The Group has not traded or invested in crypto currency or virtual currency during reporting periods.
- The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Group does not have any investment property during any reporting period, the disclosure related to fair value of investment property is not applicable.
- The Company is not covered under Section 8, thus related disclosure is not applicable.
- There are no scheme of arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the reporting periods.
- The Group does not have any borrowings from banks and financial institutions that are used for any other purpose other than the specific purpose for which it was taken at the reporting balance sheet date.
- The Group did not have any Relationship with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- Details of delay in registration of charges or satisfaction with Registrar of Companies (ROC)
- Code of Social Security, 2020: The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

Note 32: Earnings Per equity Share

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|-------------------------|
| Calculation of EPS prior to issuance of bonus and share split | | | |
| Profit after tax for the period /year (in Rs. Millions) | 1,107.99 | 630.05 | 204.26 |
| Profit available to the equity shareholders (in Rs. Millions) (a) | 1,107.99 | 630.05 | 204.26 |
| Weighted average number of equity shares outstanding during the period/ year (b) | 5,727,540 | 5,727,540 | 5,727,540 |
| Earning per share (a/b) | | | |
| Basic & Diluted Earning per share | 193.45 | 110.00 | 35.66 |
| Face value per share | 10 | 10 | 10 |
| Calculation of EPS after giving effect of bonus issue and split | | | |
| Profit after tax for the period /year (in Rs. Millions) | 1,107.99 | 630.05 | 204.26 |
| Profit available to the equity shareholders (in Rs. Millions) (a) | 1,107.99 | 630.05 | 204.26 |
| Weighted average number of equity shares outstanding during the period/ year (b)* | 171,826,200 | 171,826,200 | 171,826,200 |
| Earning per share (a/b) | | | |
| Basic & Diluted Earning per share | 6.45 | 3.67 | 1.19 |
| Face value per share | 2 | 2 | 2 |

* refer note 32.1 below.

Note 32.1 Subsequent to 31st March, 2024, Authorized Share Capital and Issued, Subscribed & Paid-up share capital of the Company have been sub divided/split from Rs 10 per share to Rs 2 per share pursuant to extra ordinary general meeting of the Company held on 1st August, 2024. Accordingly issued and subscribed share capital of 57,27,540 shares of Rs 10 each is sub divided/split to 2,86,37,700 shares of Rs 2 each. Also the shareholder of the Company approved the issuance of bonus equity shares of face value of Rs 2 per share pursuant to shareholder meeting of the Company held on 6th August 2024, in the proportion of 5 new bonus Equity Shares for every 1 Shares held by the Shareholder. Accordingly Board is proposed to allot 14,31,88,500 fully paid equity shares of Rs 2 each to the members of the Company.

Note 33: Segment reporting

The Company primarily operates in the Rigid Foam/ PVC Sheets & Doors & article made thereof segment. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the company as a single unit. Therefore, there is no reportable segment for the company as per the requirement of Ind AS 108 "Operating Segments". Geographical locations: The geographical segments have been considered for disclosure as the secondary segment, under which the domestic segment includes sales to customers located in India and overseas segment includes sales to customer located outside India

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------|-------------------------|-------------------------|-------------------------|
| Segment Revenue | | | |
| Sales and Income Form Operations | | | |
| Within INDIA | 723.25 | 807.86 | 370.21 |
| Outside INDIA | 3,355.52 | 3,264.69 | 2,135.43 |
| Total | 4,078.77 | 4,072.55 | 2,505.64 |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information**34 Corporate Social Responsibility Expenditure**

Details of CSR expenditure required to be spent and amount spent are as under:

(Rs in Million)

| Nature of Activities | Year ended March 31, 2024 | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---|------------------------------|------------------------------|------------------------------|
| Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act, 2013 read with schedule VII | 8.80 | 2.00 | 1.78 |
| Amount spent during the Year | | | |
| Education and Knowledge enhancement | 8.80 | 2.00 | 1.78 |
| Total | 8.80 | 2.00 | 1.78 |
| Excess spent of previous year | - | - | - |
| Total of shortfall / (Excess) | - | - | - |

Reason for shortfall, if any: Not Applicable, the Company has expended the amount in terms of the Companies Act.

35 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further The Audit Committee has additional oversight in the area of financial risks and controls.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Company comprises two types of risks: interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Within the various methodologies to analyze and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 100-basis points of the interest rate yield curves in major currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 5%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2024, 31 March, 2023 and 31 March, 2022.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information**(b) Interest rate risk****Exposure to interest rate risk**

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

| Particulars | (Rs in Million) | | |
|----------------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
| Fixed-rate instruments | | | |
| Financial Assets | 521.52 | 78.91 | 63.83 |
| Financial Liabilities | 4.52 | 17.50 | 15.80 |
| Variable-rate instruments | | | |
| Financial Assets | - | - | - |
| Financial Liabilities | 296.12 | 276.47 | 280.23 |

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Impact on Profit / (loss) after tax

| Particulars | (Rs in Million) | | |
|------------------------------|------------------------------|------------------------------|------------------------------|
| | Year ended 31 March, 2024 | Year ended 31 March, 2023 | Year ended 31 March, 2022 |
| Increase in 100 basis points | -2.22 | -2.07 | -2.10 |
| Decrease in 100 basis points | 2.22 | 2.07 | 2.10 |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

35 Financial Risk Management (Cont...)

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in foreign currencies (primarily USD, EUR, GBP and AED). Consequently, the Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Exposure to currency risk

The summary quantitative data about the company's exposure to currency risk (based on notional amounts) is as follows:

(Amount in FCY)

| Particulars | 31 March, 2024 | | Friday, March 31, 2023 | | Thursday, March 31, 2022 | |
|---|---------------------|------------------|------------------------|------------------|--------------------------|------------------|
| | Trade receivables | Trade payables | Trade receivables | Trade payables | Trade receivables | Trade payables |
| USD | 8,950,862 | 1,557,293 | 8,564,092 | 1,858,779 | 7,986,726 | 2,967,800 |
| EUR | - | 5,977 | 107,274 | 18,538 | 54,735 | 17,814 |
| GBP | 27,462 | - | 30,742 | - | - | - |
| Total | 8,978,323 | 1,563,270 | 8,702,108 | 1,877,317 | 8,041,462 | 2,985,614 |
| Net exposure to foreign currency | 7,415,053.36 | | 6,824,791.08 | | 5,055,847.60 | |

The following significant exchange rates have been applied during the year.

| Particulars | Average rate | | | Year-end spot rate | | |
|-------------|------------------------------|--------------------------------------|--|------------------------------|---------------------------------|-----------------------------------|
| | Year Ended 31 March, 2024 | Year Ended Friday, March 31, 2023 | Year Ended Thursday, March 31, 2022 | Year Ended 31 March, 2024 | As at Friday, March 31, 2023 | As at Thursday, March 31, 2022 |
| USD 1 | 82.80 | 79.01 | 74.66 | 83.37 | 82.22 | 75.81 |
| EUR 1 | 89.91 | 87.13 | 85.38 | 90.22 | 89.61 | 84.66 |
| GBP 1 | 103.58 | 100.83 | 100.35 | 105.29 | 101.87 | 99.78 |

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, GBP and AED rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Rs in Million)

| Particulars | Change in exchange rate | USD | | EUR | | GBP | |
|---------------------------------|-------------------------------|-------------------------------|------------------------|----------------------------|------------------------|----------------------------|------------------------|
| | | Profit / (loss) before tax | Equity (net of tax) | Profit / (loss) before tax | Equity (net of tax) | Profit / (loss) before tax | Equity (net of tax) |
| 31 March, 2024 | | | | | | | |
| Strengthening | 5% | 30.61 | 22.90 | (0.03) | (0.02) | 0.14 | 0.11 |
| Weakening | | (30.61) | (22.90) | 0.03 | 0.02 | (0.14) | (0.11) |
| Friday, March 31, 2023 | | | | | | | |
| Strengthening | 5% | 26.49 | 19.82 | 0.39 | 0.29 | 0.15 | 0.12 |
| Weakening | | (26.49) | (19.82) | (0.39) | (0.29) | (0.15) | (0.12) |
| Thursday, March 31, 2022 | | | | | | | |
| Strengthening | 5% | 18.73 | 14.02 | 0.16 | 0.12 | - | - |
| Weakening | | (18.73) | (14.02) | (0.16) | (0.12) | - | - |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information**36 Contingent Liabilities and Commitments**

| I. Contingent liabilities | | (Rs in Million) | | |
|--|---------------------------|---------------------------|---------------------------|--|
| Particulars | Year Ended 31 March, 2024 | Year Ended 31 March, 2023 | Year Ended 31 March, 2022 | |
| (a) Claims against the Company not acknowledged as debts comprise of | | | | |
| In respect of Pending Income Tax Demands | 1.44 | - | - | |
| (b) Bank guarantees for Performance | 5.06 | 9.38 | 15.84 | |
| Total | 6.50 | 9.38 | 15.84 | |

Details of pending Income tax demand: In subsidiary Taylias Industry P Ltd. there is a demand of Rs 1.44 million for the AY 2023-24

Details of Bank Guarantees: Kumar Arch Tech Limited and Taylias Industry P Ltd has given guarantee to Govt Department for tender, bonds etc

| II. Commitments | | (Rs in Million) | | |
|------------------------------------|---------------------------|---------------------------|---------------------------|--|
| Particulars | Year Ended 31 March, 2024 | Year Ended 31 March, 2023 | Year Ended 31 March, 2022 | |
| Letter of Credit Opened with Banks | 159.58 | 273.26 | 369.51 | |
| Total | 159.58 | 273.26 | 369.51 | |

37 Leases**A. Operating lease commitments - Company as lessee**

The Company's lease asset classes primarily consist of leases for Office & Other Building. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Following are the changes in the carrying value of right of use assets for the year ended 31 March, 2024, 31 March, 2023 and 31 March, 2022

(Rs in Million)

| Particulars | Year Ended 31 March, 2024 | Year Ended 31 March, 2023 | Year Ended 31 March, 2022 |
|-------------------------------------|---------------------------|---------------------------|---------------------------|
| Right of Use Assets (Refer Note 2A) | 1.58 | - | - |
| Total | 1.58 | - | - |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss.

The following is the movement in lease liabilities during the year ended 31 March, 2024, 31 March, 2023 and 31 March, 2022

(Rs in Million)

| Particulars | Year Ended 31 March, 2024 | Year Ended 31 March, 2023 | Year Ended 31 March, 2022 |
|---|---------------------------|---------------------------|---------------------------|
| (i) Recognition on adoption of Ind AS 116 | - | - | - |
| (ii) Opening Lease Liabilities | - | - | - |
| (iii) Additions during the year | 2.07 | - | - |
| (iv) Finance cost accrued during the year | 0.14 | - | - |
| (v) Payment of lease liabilities | (0.60) | - | - |
| Total | 1.61 | - | - |

The following is the break-up of current and non-current lease liabilities as at 31 March, 2024, 31 March, 2023 and 31 March, 2022

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|----------------------|
| (Measured at amortised cost, Refer Note 31) | | | |
| (i) Non-current lease liabilities | 0.94 | - | - |
| (ii) Current lease liabilities | 0.67 | - | - |
| Total | 1.61 | - | - |

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March, 2024, 31 March, 2023 and 31 March, 2022 on discounted basis

(Rs in Million)

| Particulars | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|----------------------|----------------------|----------------------|
| (i) Not later than a year | 0.67 | - | - |
| (ii) Later than a year but not later than five years | 0.94 | - | - |
| (iii) More than five years | - | - | - |

The following impact have been given in profit and loss of Ind AS 116 - Leases

(Rs in Million)

| Changes [Increase / (decrease)] | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|----------------------|----------------------|----------------------|
| (i) Depreciation and Amortisation | 0.49 | - | - |
| (ii) Finance Cost (Net) | 0.14 | - | - |
| (iii) Lease Rent Cost | (0.60) | - | - |
| Profit before tax | 0.03 | - | - |



KUMAR ARCH TECH LIMITED

(Formerly known as Kumar Arch Tech Private Limited)

CIN: U36999GJ1998PLC033735

Restated Consolidated Notes on Financial Information

Note 38: FIRST TIME IND AS ADOPTION RECONCILIATION

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is April 1, 2021. The transition is carried out from Indian GAAP (previous GAAP) to Ind AS, notified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Ind AS 101 –“First-time Adoption of Indian Accounting Standards ”requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended March 31, 2024 for the Company, be applied retrospectively and consistently for all financial years presented. The Company has recognised all assets and liabilities whose recognition is required by Ind AS and has not recognised items of assets or liabilities which are not permitted by Ind AS, reclassified items from previous GAAP to Ind AS as required under Ind AS and applied Ind AS in measurement of recognised assets and liabilities. However this principle is subject to certain exceptions and certain optional exemptions availed by the company.

Set out below are the Ind AS 101 optional exemptions availed and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

1. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

2. Classification and measurement of financial assets

The Company has assessed conditions for classification of the financial assets on the basis of the facts and circumstances that were exist on the date of transition to Ind AS.

3. Deemed cost of property, plant and equipment and intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as at April 01, 2021 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

4. Estimates

Ind AS estimates on the date of transition are consistent with the estimates as at the same date made in conformity with previous GAAP.



KUMAR ARCH TECH LIMITED
 (Formerly known as Kumar Arch Tech Private Limited)
 CIN: U36999GJ1998PLC033735
 Restated Consolidated Notes on Financial Information

Note 39: Ratio

The following are analytical ratios for the year / period ended March 31, 2024 and March 31, 2023

| Particulars | Numerator | Denominator | As at 31 March, 2024 | As at 31 March, 2023 | Variance % | Reason for Variance (In case of variance for more than 25%) |
|-------------------------------------|---|-----------------------------------|----------------------|----------------------|------------|---|
| Liquidity Ratio (in times) | | | | | | |
| Current Ratio | Current Assets | Current Liabilities | 2.63 | 1.88 | 39.68% | Mainly due to increase in total current assets and decrease in total current liabilities during the period. |
| Solvency Ratio (in times) | | | | | | |
| Debt – Equity Ratio | Total Debt | Shareholder's Equity | 0.13 | 0.25 | -47.15% | Mainly due to decrease in borrowings during the period and increase in total equity during the period. |
| Debt Service Coverage Ratio | Earnings available for debt service (2) | Debt Service | 3.89 | 2.59 | 50.04% | Mainly due to decrease in borrowings during the period and increase in total equity during the period. |
| Profitability ratio (in %) | | | | | | |
| Net profit ratio | Profit After Tax | Total Revenue | 26.62% | 15.20% | 75.11% | Mainly due to profit during the year |
| Return on Equity (ROE): | Profit After Tax | Average Shareholder's Equity | 64.10% | 73.62% | -12.94% | Not Applicable |
| Return on capital employed (ROCE) | Earning before interest and tax | Capital Employed | 54.98% | 58.39% | -5.84% | Not Applicable |
| Return on investment (ROI) | Income generated from investments | Time weighted average investments | - | - | NA | Not Applicable |
| Utilization Ratio (in times) | | | | | | |
| Trade receivables turnover ratio | Sale of products | Average Trade Receivables | 6.12 | 7.48 | -18.20% | Not Applicable |
| Inventory Turnover Ratio | Cost of goods sold or Sales | Average Inventory | 2.57 | 4.48 | -42.66% | Mainly due to average increase in inventory. |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables | 6.01 | 4.79 | 25.50% | Mainly due to average decrease in Trade Creditors. |
| Net capital turnover ratio | Net Sales | Working Capital | 3.92 | 6.21 | -36.86% | Mainly due to increase in average working capital. |

The following are analytical ratios for the year / period ended March 31, 2023 and March 31, 2022

| Particulars | Numerator | Denominator | As at 31 March, 2023 | As at 31 March, 2022 | Variance % | Reason for Variance (In case of variance for more than 25%) |
|-------------------------------------|---|-----------------------------------|----------------------|----------------------|------------|---|
| Liquidity Ratio (in times) | | | | | | |
| Current Ratio | Current Assets | Current Liabilities | 1.88 | 1.26 | 49.51% | Mainly due to increase in total current assets and decrease in total current liabilities during the period. |
| Solvency Ratio (in times) | | | | | | |
| Debt – Equity Ratio | Total Debt | Shareholder's Equity | 0.25 | 0.55 | -54.50% | Mainly due to decrease in borrowings during the period and increase in total equity during the period. |
| Debt Service Coverage Ratio | Earnings available for debt service (2) | Debt Service | 2.59 | 1.18 | 120.63% | Mainly due to decrease in borrowings during the period and increase in total equity during the period. |
| Profitability ratio (in %) | | | | | | |
| Net profit ratio | Profit After Tax | Total Revenue | 15.20% | 8.02% | 89.56% | Mainly due to profit during the year |
| Return on Equity (ROE): | Profit After Tax | Average Shareholder's Equity | 73.62% | 46.93% | 56.87% | Mainly due to profit during the year |
| Return on capital employed (ROCE) | Earning before interest and tax | Capital Employed | 58.39% | 32.37% | 80.36% | Mainly due to profit during the year |
| Return on investment (ROI) | Income generated from investments | Time weighted average investments | - | - | NA | Not Applicable |
| Utilization Ratio (in times) | | | | | | |
| Trade receivables turnover ratio | Sale of products | Average Trade Receivables | 7.48 | 8.56 | -12.60% | Not Applicable |
| Inventory Turnover Ratio | Cost of goods sold or Sales | Average Inventory | 4.48 | 4.33 | 3.28% | Not Applicable |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables | 4.79 | 4.34 | 10.27% | Not Applicable |
| Net capital turnover ratio | Net Sales | Working Capital | 6.21 | 12.50 | -50.35% | Mainly due to increase in average working capital. |

The following are analytical ratios for the year / period ended March 31, 2022 and April 1, 2021

| Particulars | Numerator | Denominator | As at 31, 2022 | As at March 31, 2021 | Variance % | Reason for Variance (In case of variance for more than 25%) |
|-------------------------------------|---|-----------------------------------|----------------|----------------------|------------|---|
| Liquidity Ratio (in times) | | | | | | |
| Current Ratio | Current Assets | Current Liabilities | 1.26 | 1.20 | 5.25% | Not Applicable |
| Solvency Ratio (in times) | | | | | | |
| Debt – Equity Ratio | Total Debt | Shareholder's Equity | 0.55 | 0.45 | 21.77% | Not Applicable |
| Debt Service Coverage Ratio | Earnings available for debt service (2) | Debt Service | 1.18 | 14.43 | -91.85% | Mainly due to increase in borrowings during the period. |
| Profitability ratio (in %) | | | | | | |
| Net profit ratio | Profit After Tax | Total Revenue | 8.02% | 6.89% | 16.45% | Not Applicable |
| Return on Equity (ROE): | Profit After Tax | Average Shareholder's Equity | 46.93% | 589.98% | -92.05% | Mainly due to less profit as compared to last year, during the year |
| Return on capital employed (ROCE) | Earning before interest and tax | Capital Employed | 32.37% | 319.09% | -89.85% | Mainly due to less profit as compared to last year, during the year |
| Return on investment (ROI) | Income generated from investments | Time weighted average investments | - | - | NA | Not Applicable |
| Utilization Ratio (in times) | | | | | | |
| Trade receivables turnover ratio | Sale of products | Average Trade Receivables | 8.56 | 13.13 | -34.78% | Mainly due to average Decrease in Trade Receivables. |
| Inventory Turnover Ratio | Cost of goods sold or Sales | Average Inventory | 4.33 | 11.88 | -63.53% | Mainly due to average increase in inventory. |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables | 4.34 | 10.22 | -57.51% | Mainly due to average Increase in Trade Creditors. |
| Net capital turnover ratio | Net Sales | Working Capital | 12.50 | 175.40 | -92.87% | Mainly due to increase in average working capital. |

Notes

- (1) Debt represents Short Term and Long Term Borrowings
- (2) Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.
- (3) Tangible net worth + deferred tax liabilities + Lease Liabilities + Short Term Borrowings

Note 40: Change in Depreciation and Amortisation

During the year, the Management has reassessed the method of providing depreciation on tangible assets after taking into consideration the expected usage. Based on the said reassessment, method of depreciation has been changed to Straight Line Method from Written Down Value Method in case of Property, Plant and Equipment with effect from April 01, 2022. The Company has accounted for these changes in estimate of depreciation method retrospectively and consequently, depreciation and amortisation expense for the year ended March 31, 2024 is lesser by ₹ 7.23 Millions and for the year ended March 31, 2023 is lesser by ₹ 0.69 Millions.

Note 41: Regrouping

Previous year figures have been regrouped wherever necessary, so as to make them comparable with those of the current year.

For RRS & Associates
 Chartered Accountants
 Firm Reg. No. 118336W

Rajesh Shah
 Partner
 M.No.034549

Place: Ahmedabad
 Date: 26/09/2024

For and on behalf of the Board of Directors
 KUMAR ARCH TECH LIMITED

Shubham Taylia
 Managing Director
 DIN: 02416429

Place: Ahmedabad
 Date: 26/09/2024

Shakun Taylia
 Whole Time Director
 DIN: 01974241

Vikram Singh Sankhla
 Chief Financial Officer

Rahul Ranka
 Company Secretary and Compliance Officer
 M.No. A38416