INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CYGNET INDUSTRIES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cygnet Industries Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2024 and material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss (including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards(Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

NEHA BOTHRA & COMPANY
KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other Legal and Regulatory Requirement

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

(i) The Company has disclosed the impact, if any, of pending litigations as at March 31, 2024 on its financial position in its standalone financial statements – Refer Note 29.

(ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2024.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2024

(iv) a. The management has represented that, to the best of its knowledge and belief other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities, with the understanding whether recorded in writing or otherwise , that the intermediary shall , whether directly or indirectly lend or invest in other persons or entities identified in any manner by or behalf of the Company (Ultimate beneficiaries) or provide any guarantees , security or the like on behalf of the ultimate beneficiaries.

b. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on such audit procedures that the we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

(v) The Company has not declared any dividend during the Year, so reporting under this clause for compliance with section 123 of the Companies Act, 2013, is not applicable.

(vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act, as amended:

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

For Neha Bothra & Company
Chartered Accountants
FR No.326938E

NEHA BOTHRA & COMPANY
KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

N. Bothra

Neha Bothra
Partner
Mem No– 067036
UDIN: 24067036BKCZAI6494

Kolkata
Date: 08th April, 2024

Annexure A to Independent Auditors' Report

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the members of Cygnet Industries Limited on the standalone financial statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of **Cygnet Industries Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

NEHA BOTHRA & COMPANY * CHARTERED ACCOUNTANTS * KOLKATA FRNo. 326938E effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Neha Bothra & Company
Chartered Accountants
FR No.326938E

NEHA BOTHRA & COMPANY
KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

N. Bothra

Neha Bothra
Partner
Mem No – 067036
UDIN: 24067036BKCZAI6494

Kolkata
Date: 08th April,2024

Annexure B to Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Cygnet Industries Limited of even date.)

i. In respect of the Company's Property, Plant and Equipment:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of property, plant and equipment and right-of-use assets.
(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.

(c) According to the information and explanations given to us and records examined by us the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favor of the lessee), as disclosed in Note -3 on Property, Plant and Equipment to the standalone financial statements are held in the name of the Company, except for:

Description of Property	Gross Carrying value (Rs. In lacs)	Held in the Name of	Whether Promoter, director or their relative employee	Period held-Indicate range where appropriate	Reason for not being held in name of company* Not Disputed
Freehold Land and Building at Kuntighat (50 cases)	13,660.27	Kesoram Industries and Cotton Mills Limited (now Kesoram Industries Limited, Holding Company)	Promoter	7 to 8 Years	It is held in the name of Holding company

Leasehold Land (1 Case)	234.92	Kesoram Industries and Cotton Mills Limited (now Kesoram Industries Limited, Holding Company)	Promoter	7 to 8 Years	It is held in the name of Holding company

(d) According to the information and explanations given to us and records examined by us there has been no revaluation of Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and records examined by us there are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988(45 of 1988) and rules made thereunder and hence, reporting under this clause is not applicable to the company.

ii. In respect of the Company's Inventory and working capital;

a) The inventories, except for goods-in-transit and stock lying with third parties, were physically verified by the management at reasonable intervals during the year. In our opinion and based on the information and explanation given to us, the coverage and procedure of such verification by Management is appropriate having regard to the size of the Company and nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with books of accounts.

b) As per the information's and explanations given to us by the management there has been no sanction of working capital limits in excess of 5 crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; hence reporting under this clause is not applicable to the company.

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iii. (a) The company has provided loans during the year and the outstanding balance of loans as at march 31, 2024 are given below:

(A) Aggregate amount granted/provided during the year	
• Others	Rs. 625.00 lakhs
(B)Balance outstanding as at balance sheet date in respect of above cases:	
• Others	Nil

(b) The terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

(c) As per the information and explanations given to us and books examined by us in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest. (Refer Clause f).

(d) As per the information and explanation given to us by the management, there is no amount receivable in respect of loan granted and interest on such loan as at balance sheet date; hence reporting under this clause is not applicable to the company.

(e) As per the information and explanation given to us by the management and books examined by us there has not been any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over-dues of existing loans given to the same parties.

(f) The company has granted loans which are repayable on demand details of which are given below:

Particulars	All Parties including Related Party (in Rs. Lakhs)	Promoters (in Rs. Lakhs)	Related Parties (in Rs. Lakhs)
Aggregate amounts of loans repayable on demand *	625.00	Nil	Nil
Percentage of Loans/advances in nature of loans to the total loans.	100%	0%	0%

*The amounts reported are the amount of loan granted during the year.

NEHA BOTHRA & COMPANY * KOLKATA FRNo. 326938E * CHARTERED ACCOUNTANTS *

iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act, however provisions of section 186 of the Act in respect of loans granted to other body corporate have been duly complied with.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amount which are deemed to be deposit. Hence, reporting under clause (v) of the order is not applicable.

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

vii. According to the information and explanations given to us in respect of statutory dues:

(a) Amounts deducted or accrued in the books of account in respect of undisputed statutory dues including Goods and Service tax (GST), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with appropriate authorities.

No undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in in sub clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount	Forum where the dispute is pending
Central Excise Act, 1944	Central Excise	1.16	September 2015-June 2016	Commissioner of Central Excise (Appeals- II)

KARNATAKA Value Added Tax Act, 2003	VAT	5.06	2017-18	Asst. Commissioner of Commercial Tax (Karnataka VAT Department)
West Bengal Value Added Tax Act, 2003	West Bengal tax on entry of goods into local areas Act,2012	153.32	April 2016-June 2017	Calcutta High Court

viii. According to the information and explanation given to us and the records examined by us, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under the Income-tax Act, 1961 as income during the year.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender as at the Balance Sheet date.

(b) The company has not been declared willful defaulter by any bank or financial institution or other lender.

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

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the company we report that no funds raised on short term basis have been used for long term investment by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not formed any subsidiaries, associates or joint ventures and hence reporting under clause ix(e) of CARO 2020 is not applicable to the company

(f) The company has not formed any subsidiaries, associates or joint ventures and hence reporting under clause ix(f) of CARO 2020 is not applicable to the company.

x. (a) According to the information and explanation given to us, no money has been raised by way of Initial Public Offer or Further Public Offer (including debt instrument) and term loans have been applied for the purposes for which they were obtained.

(b) During the year the company has not made any preferential allotment or private placement for shares or fully or partly convertible debentures and hence reporting under clause [x(b)] of CARO 2020 is not applicable to the company.

xi. (a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.

(b) We have not filed any report under sub section (12) of section 143 of the companies Act in Form ADT-4 and hence reporting under clause [xi(b)] of CARO 2020 is not applicable to the company.

(c) As per the information and explanation given to us by the company there are no whistle blower complaints received during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanation given to us the company is in compliance with section 177 and 188 of Companies Act, 2013, where applicable, for all transaction with the related parties and the details of related party transaction have been disclosed in the financial statement as required by the applicable standards.

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

(b) We have considered, the internal audit reports issued to the company during the year and covering the period up to 31st March, 2024.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.

xvii. According to the books examined by us, the Company has incurred cash losses during the immediately preceding financial year and current financial year. The calculation is as follows: -

Particulars	2023-24 (Rs.in Lakhs)	2022-23 (Rs. In Lakhs)
Net Cash Losses	(4599.85)	(5765.18)

xviii. There has been no resignation of Statutory Auditors during the year, and hence reporting under Clause (xviii) of the Order, is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. The Company has incurred losses in the immediately preceding three financial years and hence no amount is required to be spent by the Company under sub-section (5) of section 135 of the Act.

For Neha Bothra & Company
Chartered Accountants
FRNo. 326938E

NEHA BOTHRA & COMPANY * KOLKATA FRNo. 326938E * CHARTERED ACCOUNTANTS

N.Bothra

Neha Bothra
Partner
Mem No – 067036
UDIN:24067036BKCZAI6494

Kolkata
Date: 8th April, 2024

Cygnet Industries Limited

Notes forming part of financial statements

1. Company Information

Cygnet Industries Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on 15th June, 2015. The Company is primarily engaged in the business of manufacturing Rayon, Transparent paper and Chemicals at Kuntighat, District Hooghly, West Bengal with registered office at Kolkata, West Bengal.

The financial statements as at 31st March, 2024 present the financial position of the Company.

The financial statements for the year ended 31st March, 2024 were approved by the Board of Directors and authorized for issue on 8th April 2024.

2. Material accounting policies

2.1 Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

(ii) Historical cost convention

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.2 Property, plant and equipment

a) Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing costs if capitalization criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use. The cost also comprises of exchange differences arising on translation / settlement of long term foreign currency monetary items pertaining to acquisition of such depreciable asset. Any trade discounts and rebates are deducted in arriving at the purchase price.

b) Subsequent expenditure related to an item of property, plant & equipment is added to its carrying amount only if it increases the future benefits from the existing assets beyond its previously assessed standard of performance.

Cygnet Industries Limited Kolkata

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

c) Capital work in progress is stated at cost (including borrowing cost, where applicable and adjustment for exchange difference referred on Note 2.13 below) incurred during construction/installation period relating to items or projects in progress.

d) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the Statement of profit and loss.

e) *Depreciation methods, estimated useful lives and residual value*

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Class of assets	Estimated useful life (in years)
Buildings	3 to 60 Years
Plant and Equipment	5 to 40 Years
Furniture and Fixtures	3 to 10 Years
Office Equipment	3 to 10 Years
Vehicles	8 Years

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

2.3 Intangible assets

Intangible property, plant and equipment are capitalized where it is expected to provide future enduring economic benefits and amortized on a straight line basis. Capitalization costs include license fees and the cost of implementation/ system integration services. The Costs are capitalized in the year in which the relevant intangible asset is implemented for use.

Class of assets	Estimated useful life (in years)
Software	3 Years

2.4 Impairment

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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2.5 Lease

Effective April 1, 2019, the Company has adopted Ind AS 116 - Leases using the modified retrospective method. Under modified retrospective approach, the Company has recorded lease liability at the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17. The weighted average incremental borrowing rate for leases initially recognized upon the first-time application of Ind AS 116 was 11.89%. The Company applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset 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 plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement 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 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. For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term. When the lease liability is re-measured due to change in contract terms, a corresponding change is made to the carrying amount of right-of-use asset, or is recorded in the profit and loss account if the carrying amount of right-of-use asset is reduced to zero.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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As a lessor:

In respect of assets given on operating lease, the lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. There is no change in accounting as a lessor due to adoption of Ind AS 116 Leases.

2.6 Inventories

Inventories are stated at lower of cost and net realizable value. Cost is determined on weighted average / first-in, first-out (FIFO) basis, as considered appropriate by the Company. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision is made for obsolete/slow moving/defective stocks, wherever necessary.

2.7 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(a) Financial assets

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

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Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).

Impairment of financial assets

The Company assesses on a forward looking basis the 'Expected credit losses' (ECL) associated with its assets carried at amortized cost and FVOCI debt instruments. The Company recognizes loss allowance for expected credit losses on financial asset.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 *Financial Instruments,* which requires expected lifetime losses to be recognized from initial recognition of the receivables.

De-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.
If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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(b) **Financial liabilities and equity instruments**

Classification as debt or equity

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

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2.8 Employee Benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

Past service cost is recognized as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognized, whichever is earlier.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

Ind AS 19 - Plan Amendment, Curtailment or Settlement:

The amendment requires an entity to use updated assumptions to determine current service costs and net interest for the remainder of the period after a plan amendment, curtailment or settlement, and to recognize in the Statement of Profit and Loss as part of past service cost, or gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously

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recognized because of the impact of the asset ceiling. The adoption of the standard did not have any material impact to the financial statements.

2.9 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.10 Provision and Contingent Liabilities

Provisions: Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

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

2.11 Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

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Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Ind AS 12 – Income taxes – Appendix C, Uncertainty over Income Tax Treatment

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over the income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of tax treatment when determining taxable profit / loss, tax bases, unused tax losses, unused tax credits and the tax rates. The standard permits two possible methods of transition – (i) Full Retrospective Approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and (ii) Retrospective with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date of for adoption of Ind AS 12 Appendix C is annual period beginning on or after April 01, 2019. The company will adopt the standard on April 01, 2019 and has decided to adjusted the cumulative effect of in equity on the date of initial application i.e. April 01, 2019 if any without adjusting comparatives. The adoption of this standard did not have any material impact to the financial statements.

Amendment to Ind AS 12:

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events. The adoption of the standard did not have any material impact to the financial statements. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to the taxation

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authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as a part of dividend in accordance with Ind AS 12.

2.12 Revenue Recognition

Revenue shall be recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Sales of goods

Sales are recognized when control of the products has been transferred to the buyer, the buyer has full discretion over the channel and price to sell and there is no unfulfilled obligation that could affect the buyer's acceptance of the products per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It includes excise duty and excludes value added tax/sales tax/Goods and Service tax.

Revenue is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due, which are otherwise recorded as contract assets.

Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable

Dividend Income

Dividend income from investments is recognized when the shareholder's rights to receive payment have been established.

Rental Income

Rental income from investment properties and subletting of properties is recognized on a time proportion basis over the term of the relevant leases.

2.13 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted

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for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.14 Foreign currency transactions and translations

Functional and presentation currency

The financial statements of the Company are presented in Indian rupees (INR), which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions and balances

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates. Gains/losses arising out of fluctuations in the exchange rates are recognised in the statement of profit and loss in the period in which they arise.

2.15 Research and Development Expenditure

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure relating to Research and Development are included in property, plant and equipment.

2.16 Earnings per share

(i) *Basic earnings per shore*

Basic earnings per share are calculated by dividing:
- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year

(ii) *Diluted earnings per share*

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

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2.17 Segment reporting

The Company is mainly engaged in the business of manufacturing Rayon, Transparent Paper and Chemicals. The Company operates in local and export segments geographically.

The Company's organizational structure and governance processes are designed to support effective management of Rayon, Transparent Paper and Chemicals business. The business results have been reported in a manner consistent with the internal reporting provided to the Board of Directors, which is the Chief Operating Decision Maker (Refer note 35).

2.18 Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies, measurement of lease liability and Right to Use Asset.

2.19 Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

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NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

Cygnet Industries Limited

Balance Sheet as at 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	31st March,2024	31st March,2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	43,407.97	44,343.38
(b) Right-of-use assets	3A	319.30	245.52
(c) Capital work-in-progress	4A	898.86	1,763.33
(d) Other intangible assets	4	-	49.83
(e) Financial assets			
(i) Investments	5	-	-
(ii) Other financial assets	7	1,079.87	16.69
(f) Income tax asset (Net)		130.83	14.01
(g) Other non-current assets	8	18.68	5.28
Total non-current assets		**45,855.51**	**46,438.04**
(2) Current assets			
(a) Inventories	9	4,826.88	5,138.01
(b) Financial assets			
(i) Trade receivables	10	2,644.04	1,347.39
(ii) Cash and cash equivalents	11	68.60	113.35
(iii) Loans	6	-	6,302.23
(iv) Other financial assets	7	-	834.14
(c) Other current assets	8	2,522.40	736.38
Total current assets		**10,061.92**	**14,471.50**
Total assets		**55,917.43**	**60,909.54**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12 (a)	92,653.69	92,653.69
(b) Other equity	12 (b)	(85,800.02)	(79,532.11)
Total equity		6,853.67	**13,121.58**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	18,290.80	16,474.42
(ii) Lease Liability	16A	66.13	24.14
(b) Provisions	18	363.52	348.35
(c) Deferred tax liabilities (net)	14	-	-
Total non-current liabilities		**18,720.45**	**16,846.91**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	22,040.38	20,270.63
(ii) Lease Liability	16A	62.71	22.65
(iii) Trade payable			
Total Outstanding dues of micro enterprises and small enterprises	15(a)	327.82	804.50
Total Outstanding dues of creditors other than micro enterprises and small enterprises	15(b)	4,713.68	6,371.76
(iv) Other financial liabilities	16	2,454.67	2,800.26
(b) Provisions	18	51.64	165.03
(c) Other current liabilities	17	692.41	506.22
Total current liabilities		**30,343.31**	**30,941.05**
Total liabilities		**49,063.76**	**47,787.96**
Total equity and liabilities		55,917.43	**60,909.54**
Notes forming part of the financial statements	1-41		

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

This is the Balance Sheet referred in our report of even date

For Neha Bothra & Co.

Firm Registration Number: 326938E

Chartered Accountants

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

N.Bothra

Neha Bothra

Partner

Membership No.: 067036

Kashi Prasad Khandelwal

Director

DIN: 0748523

Deepak kumar sharma

Deepak Kumar Sharma

Director

DIN: 02595564

Vineet Rai

Chief Executive Officer

Ankita Agarwal

Ankita Agarwal

Company Secretary

Sarat Priya Patjoshi

Director

DIN: 06620290

S. Nath

Sharmila Nath

Director

DIN: 07041921

Raj Kumar Burman

Chief Financial Officer

Cygnet Industries Limited Kolkata

Place: Kolkata

Date : 08.04.2024

Cygnet Industries Limited

Statement of Profit and Loss for the Period ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

	Particulars	Notes	31st March,2024	31st March,2023
I	Revenue from operations	19	24,640.41	24,430.04
II	Other income	20	2,252.93	1,632.47
III	**Total Income (I+II)**		**26,893.34**	**26,062.51**
IV	**Expenses:**			
	(a) Cost of material consumed	21	10,435.79	11,265.14
	(b) Purchases of stock-in-trade	21	1.14	0.86
	(c) Power and Fuel	26 A	6,153.91	8,086.16
	(d) Changes in inventories of finished goods,work in progress and stock-in-trade	22	(38.80)	(1,513.78)
	(e) Employee benefit expenses	23	6,641.11	6,008.84
	(f) Depreciation and amortisation expense	24	2,161.19	2,096.54
	(g) Finance costs	25	4,074.72	4,153.95
	(h) Other expenses	26	4,225.31	3,826.52
	Total expenses		**33,654.37**	**33,924.23**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(6,761.03)**	**(7,861.72)**
VI	**Exceptional Items**		-	-
VII	**Profit/(Loss) before tax (V+VI)**		**(6,761.03)**	**(7,861.72)**
VIII	**Tax expense:**	27		
	(1) Current tax charge / (credit)		-	-
	(2) Deferred tax / (credit)		-	-
	Total tax expense		-	-
IX	**Profit/(Loss) for the year (VII-VIII)**		**(6,761.03)**	**(7,861.72)**
X	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post-employment benefit plans		493.12	(76.89)
	Fair value changes of investments in equity shares		-	-
	Total other comprehensive income/(loss)		**493.12**	**(76.89)**
XI	**Total comprehensive income/(loss) for the year (IX+X)**		**(6,267.91)**	**(7,938.61)**
XII	**Earnings per share**	28		
	Basic (Rs.)		(0.73)	(0.85)
	Diluted (Rs.)		(0.73)	(0.85)
XIII	**Notes forming part of the financial statements**	1 - 41		

The accompanying notes are an integral part of the financial statements.
This is the Balance Sheet referred in our report of even date.

For Neha Bothra & Co.
Firm Registration Number: 326938E
Chartered Accountants

N.Bothra

Neha Bothra
Partner
Membership No.: 067036

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

Kashi Prasad Khandelwal
Director
DIN: 0748523

Deepak Kumar Sharma

Deepak Kumar Sharma
Director
DIN: 02555564

Vineet Rai
Chief Executive Officer

Ankita Agarwal
Company Secretary

Sarat Priya Patjoshi
Director
DIN: 06620290

S. Nath

Sharmila Nath
Director
DIN: 07041921

Raj Kumar Burman
Chief Financial Officer

Cygnet Industries Limited Kolkata

Place: Kolkata
Date : 08.04.2024

Cygnet Industries Limited

Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity share capital

(All amounts in Rupees Lakhs, unless otherwise stated)

Description	Notes	Amount
As at 31st March 2022		92,653.69
Changes in equity share capital	12 (a)	-
As at 31st March 2023		92,653.69
Changes in equity share capital	12 (a)	-
As at 31st March 2024		92,653.69

B. Other equity

Particulars	FVOCI - equity instruments	Retained earnings	Total other equity
Balance at 01 April 2023	-	(79,532.11)	(79,532.11)
Profit for the year	-	(6,761.03)	(6,761.03)
Other comprehensive income/(expense)	-	493.12	493.12
Total comprehensive income for the year	-	(6,267.91)	(6,267.91)
Transfer within equity	-	-	-
As at 31st March 2024	-	(85,800.02)	(85,800.02)

Particulars	FVOCI - equity instruments	Retained earnings	Total other equity
Balance at 01 April 2022	-	(71,593.50)	(71,593.50)
Profit for the year	-	(7,861.72)	(7,861.72)
Other comprehensive income/(expense)	-	(76.89)	(76.89)
Total comprehensive income for the year	-	(7,938.61)	(7,938.61)
Transfer within equity	-	-	-
As at 31st March 2023	-	(79,532.11)	(79,532.11)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For Neha Bothra & Co.
Firm Registration Number: 326938E
Chartered Accountants

N. Bothra
Neha Bothra
Partner
Membership No.: 067036

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

Place: Kolkata
Date : 08.04.2024

For and on behalf of Board of Directors of Cygnet Industries Limited

Kashi Prasad Khandelwal
Director
DIN: 0748523

Sarat Priya Patjoshi
Director
DIN: 06620290

Deepak Kumar Sharma
Deepak Kumar Sharma
Director
DIN: 02555564

Sharmila Nath
Director
DIN: 07041921

Vineet Rai
Chief Executive Officer

Rajkumar
Raj Kumar Burman
Chief Financial Officer

Ankita Agarwal
Company Secretary

Cygnet Industries Limited Kolkata

Cygnet Industries Limited

Cash flow statement for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Year ended 31 March,2024	Year ended 31 March,2023
A. Cash Flow From Operating Activities		
Net Profit/(Loss) before tax	(6,761.03)	(7,861.72)
Adjustments for:		
Depreciation and amortisation	2,161.18	2,096.54
Provision for bad and doubtful debts/advances and others	49.63	67.85
Finance costs	4,074.72	4,153.95
Unrealised loss/(gain) on modification of lease liability	-	(1.93)
Loss/ (gain) on sale of property, plant and equipment (net)	0.06	0.01
Liabilities/Provision no longer required written back (net)	(595.95)	(497.99)
Interest income	(1,504.87)	(900.75)
Operating profit/(loss) before working capital changes	**(2,576.24)**	**(2,944.04)**
Changes in Working Capital:		
Increase / (decrease) in trade and other payables	(1,378.58)	842.73
(Increase) / decrease in trade and other receivables	(3,206.55)	(1,598.69)
(Increase) / decrease in inventories	311.12	(1,239.65)
Cash Generated from Operations		
Direct taxes paid (net of refunds)	(116.82)	(5.02)
Net cash generated/(used) in operating activities	**(6,967.07)**	**(4,944.67)**
B. Cash flow from Investing Activities:		
Purchase of fixed assets/Capital Advance given	(250.21)	(197.28)
Proceeds from sale of property, plant and equipment	0.04	0.02
FD Created/Renewed	(1,392.42)	-
FD Matured	1,104.78	2.00
Loan to body corporate	(625.00)	(2,325.00)
Repayment of Loan by body corporate	5,782.81	7,460.82
Interest received	2,705.35	2,316.70
Net cash generated/(used) in investing activities	**7,325.35**	**7,257.41**
C. Cash flow from Financing Activities		
Finance cost paid	(2,321.14)	(2,643.38)
Payment of Lease obligations	(68.43)	(47.45)
Proceeds from		
- Short term borrowings	2,531.87	6,024.99
- Long term borrowings	5,199.67	1,200.00
Repayment of		
- Short term borrowings	(3,022.25)	(5,046.97)
- Long term borrowings	(2,722.75)	(1,985.25)
Net cash generated from financing activities	**(403.03)**	**(2,498.06)**
Net (decrease)/increase in cash and cash equivalents	(44.75)	(185.32)
Cash and cash equivalents at the beginning of the year	113.35	298.82
Less: Cash credits at the beginning of the year	-	-
Adjusted cash & cash equivalents at the beginning of the year	113.35	298.82
Cash and cash equivalents at the end of the period	**68.59**	**113.50**

	31 March,2024	31 March,2023
Cash and Cash Equivalents comprise :		
Cash in hand	0.00	0.02
Balances with banks on current account	-	-
Cash credits #/ Overdraft at the end of the year	68.60	113.33
Deposit with original maturity for less than three months	-	-
	68.60	113.35

Figures in bracket represents outflows.
This is the Cash Flow Statement referred to in our report of even date.

 # Includes Rs 5.06 lakhs (Corresponding Previous Year - Rs 5.06 lakhs available for restricted use. The restrictions is mainly on account of cash credit account and it pertains to demand from Govt Authorities for levy of interest on outstanding declaration forms.

For Neha Bothra & Co.
Firm Registration Number: 326938E
Chartered Accountants

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

N. Bothra

Neha Bothra
Partner
Membership No.: 067036

Place: Kolkata
Date : 08.04.2024

Kashi Prasad Khandelwal
Director
DIN: 0748523

Deepak Kumar Sharma

Deepak Kumar Sharma
Director
DIN: 02555564

Vineet Rai
Chief Executive Officer

Ankita Agarwal
Company Secretary

Sarat Priya Patjoshi
Director
DIN: 06620290

S. Nath

Sharmila Nath
Director
DIN: 07041921

Rajkumar Burman

Raj Kumar Burman
Chief Financial Officer

Cygnet Industries Limited Kolkata

Cygnet Industries Limited
Notes forming part of financial statements

Note 3: Property, plant and equipment

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	GROSS BLOCK - AT COST As at 1 April 2023	Additions during the Year	Adjustments/ Sold during the Year	As at 31st March, 2024	DEPRECIATION Upto 1 April 2023	Provided during the Year	Adjustments during the Year	Upto 31st March, 2024	NET BLOCK As at 31st March, 2024
I. Tangible Assets: *									
Land :									
- Freehold #	13,660.27	-	-	13,000.27	-	-	-	-	13,660.27
Buildings	16,903.74	42.04	-	16,945.78	3,586.21	511.92	-	4,098.13	12,847.65
Plant and Equipment	26,896.82	1,068.95	-	27,965.77	9,614.80	1,510.99	-	11,125.79	16,839.98
Furniture and Fixtures	180.03	0.76	-	180.79	116.58	18.41	-	134.99	45.80
Office Equipment	70.58	1.54	2.17	69.95	61.00	3.18	2.06	62.12	7.83
Vehicles	34.42	-	-	34.42	23.89	4.09	-	27.98	6.44
	57,745.86	1,113.29	2.17	58,856.98	13,402.48	2,048.59	2.06	15,449.01	43,407.97

\# Transfer of title of the entire land measuring 101.762 acres is under process.

* Property, plant and equipment are mortgaged against loan taken from WBIDFC. (Refer Note 13)

Particulars	GROSS BLOCK - AT COST As at 1 April 2022	Additions during the Year	Adjustments/ Sold during the Year	As at 31st March, 2023	DEPRECIATION Upto 1 April 2022	Provided during the Year	Adjustments during the Year	Upto 31st March, 2023	NET BLOCK As at 31st March, 2023
I. Tangible Assets: *									
Land :									
- Freehold #	13,660.27	-	-	13,660.27	-	-	-	-	13,660.27
Buildings	16,903.74	-	-	16,903.74	3,074.65	511.56	-	3,586.21	13,317.53
Plant and Equipment	26,396.19	500.63	-	26,896.82	8,163.78	1,451.02	-	9,614.80	17,282.02
Furniture and Fixtures	179.09	0.94	-	180.03	98.52	18.06	-	116.58	63.45
Office Equipment	68.25	2.84	0.51	70.58	55.45	6.04	0.49	61.00	9.58
Vehicles	34.42	-	-	34.42	19.80	4.09	-	23.89	10.53
	57,241.96	504.41	0.51	57,745.86	11,412.20	1,990.77	0.49	13,402.48	44,343.38

\# Transfer of title of the entire land measuring 101.762 acres is under process.

* Property, plant and equipment are mortgaged against loan taken from WBIDFC. (Refer Note 13)

Note: 3A Right to Use Assets

Particulars	GROSS BLOCK - AT COST As at 1 April 2023	Additions during the Year	Adjustments/ Sold during the Year	As at 31st March, 2024	DEPRECIATION Upto 1 April 2023	Provided during the Year	Adjustments during the Year	Upto 31st March, 2024	NET BLOCK As at 31st March, 2024
Land ## $	234.92	-	-	234.92	33.96	4.85	-	38.81	196.11
Building	264.98	136.55	-	401.53	220.42	57.92	-	278.34	123.19
	499.90	136.55	-	636.45	254.38	62.77	-	317.15	319.30

\#\# The registration of leasehold land is in process.
$ Reclassified from Lease hold asset to Right-to-use asset as per Ind AS 116 with effect from 01.04.2019 (Refer note no. 37)

Particulars	GROSS BLOCK - AT COST As at 1 April 2022	Additions during the Year	Adjustments/ Sold during the Year	As at 31st March, 2023	DEPRECIATION Upto 1 April 2022	Provided during the Year	Adjustments during the Year	Upto 31st March, 2023	NET BLOCK As at 31st March, 2023
Land ## $	234.92	-	-	234.92	29.11	4.85	-	33.96	200.96
Building	268.69	43.88	47.59	264.98	206.49	41.13	27.20	220.42	44.56
	503.61	43.88	47.59	499.90	235.60	45.98	27.20	254.38	245.52

\#\# The registration of leasehold land is in process.
$ Reclassified from Lease hold asset to Right-to-use asset as per Ind AS 116 with effect from 01.04.2019 (Refer note no. 37)

Note 4: Other intangible assets

Particulars	GROSS BLOCK - AT COST As at 1 April 2023	Additions during the Year	Adjustments/ Sold during the Year	As at 31st March, 2024	DEPRECIATION Upto 1 April 2023	Provided during the Year	Adjustments during the Year	Upto 31st March, 2024	NET BLOCK As at 31st March, 2024
Computer Software	179.38	-	-	179.38	129.55	49.83	-	179.38	-
	179.38	-	-	179.38	129.55	49.83	-	179.38	-

Particulars	GROSS BLOCK - AT COST As at 1 April 2022	Additions during the Year	Adjustments/ Sold during the Year	As at 31st March, 2023	DEPRECIATION Upto 1 April 2022	Provided during the Year	Adjustments during the Year	Upto 31st March, 2023	NET BLOCK As at 31st March, 2023
Computer Software	179.38	-	-	179.38	69.76	59.79	-	129.55	49.83
	179.38	-	-	179.38	69.76	59.79	-	129.55	49.83

(i) Property, plant and equipment pledged as security
Refer to note 13 for information on property, plant and equipment pledged as security by the Company.

(ii) Contractual obligations
Refer to note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment

Cygnet Industries Limited
Kolkata

NEHA BOTHRA & COMPANY
KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

Cygnet Industries Limited

Notes forming part of financial statements

Note 4A:- CAPITAL-WORK IN PROGRESS (CWIP) AGEING SCHEDULE- STANDALONE

(All amounts in Rupees Lakhs, unless otherwise stated)

CWIP	31st Mar, 2024					31st Mar, 2023				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
Particulars	< 1 year	1-2 years	2-3 years	More than 3 years	Total	< 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	210.13	87.70	0.93	1.15	299.90	189.59	194.49	108.97	758.85	1,251.89
- Projects temporarily suspended	0.30	-	0.01	598.65	598.96	-	-	34.07	477.37	511.44
Total	210.43	87.70	0.94	599.80	898.86	189.59	194.49	143.04	1,236.22	1,763.33

CAPITAL-WORK IN PROGRESS (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan .

Particulars	31st Mar, 2024					31st Mar, 2023				
	To be completed in					To be completed in				
Project In Progress	< 1 year	1-2 years	2-3 years	More than 3 years	Total	< 1 year	1-2 years	2-3 years	More than 3 years	Total
MAJOR Upgradation OF S ACID STORAGE TAN	-	-	-	-	-	11.02	-	-	-	11.02
DCDA(I & II) Maint Upgradation-03	-	-	-	-	-	20.01	-	-	-	20.01
Fabrication- Upgradation-02	-	-	-	-	-	13.31	-	-	-	13.31
DCDA(I & II) Prod Upgradation-03	-	-	-	-	-	42.60	-	-	-	42.60
Calcination m/c Upgradation-03	-	-	-	-	-	19.91	-	-	-	19.91
Boiler No. 6 overhauling-03	-	-	-	-	-	58.56	-	-	-	58.56
Spng & CSY PRD - Upgradation-02	-	-	-	-	-	15.65	-	-	-	15.65
Upgradation of VAM Spinning fan,colin-03	-	-	-	-	-	23.16	-	-	-	23.16
Upgradation of Heat Exchanger - Spin Bat	-	-	-	-	-	-	0.15	-	-	0.15
Spinning Machine(7) Upgradation-03	-	-	-	-	-	-	371.68	-	-	371.68
TP 2 – Casting Head Lip	10.05	-	-	-	10.05					
Others #	4.91	-	-	-	4.91	40.40	7.40	-	-	47.80
Total	14.96	-	-	-	14.96	244.62	379.22	-	-	623.85

 # Others includes project which cost is less than 10 lakhs rupees.

****Details of projects where activity has been suspended**

CWIP	To be completed in					To be completed in				
Project Suspended	< 1 year	1-2 years	2-3 years	More than 3 years	Total	< 1 year	1-2 years	2-3 years	More than 3 years	Total
UPGRADATION OF TP LINE	-	-	199.00	-	199.00	-	-	-	199.00	199.00
TP 2 – PMMA Addition	8.39	-	-	-	8.39	-	8.09	-	-	8.09
Upgradation of Crystallizer	-	10.22	-	-	10.22	-	10.22	-	-	10.22
TP 2 – Edge Trimming in upwinding	1.43	-	-	-	1.43	1.43	-	-	-	1.43
ACID ABSORPTION CRYSTALLIZER	-	78.15	-	-	78.15	-	-	78.15	-	78.15
Acid Absorption Crystallizer of 529	-	-	301.78	-	301.78	-	-	-	-	-
New electrical changeover system for acr	-	-	-	-	-	204.04	-	-	-	204.04
OVERHAULING OF 3 NOS. CS2 TANKS	-	-	-	-	-	10.51	-	-	-	10.51
Total	0.81	88.37	500.78	-	598.96	205.47	18.31	78.15	199.00	511.44

Cygnet Industries Limited Kolkata

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

Cygnet Industries Limited
Notes forming part of financial statements

(All amounts in Rupees Lakhs, unless otherwise stated)

Note 5 : Investments

Particulars	Face value	31st March, 2024	31st March, 2023
Non-current			
A. Investments carried at amortised cost:			
NSC savings certificate		0.70	0.70
Less:-Provision for impairment in value of investment		(0.70)	(0.70)
B. Investments carried at fair value through other comprehensive income (FVTOCI):			
Investments in Equity shares			
(i) Quoted			
NIL (31 March, 2023: NIL)		-	-
		-	-

Classified as:		
Current	-	-
Non-Current	-	-
	-	-

(i) The carrying value and market value of quoted and unquoted investments are as below:

(a) Quoted		
Carrying value	-	-
Market value	-	-
(b) Unquoted		
Carrying value	-	-

Cygnet Industries Limited Kolkata

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

Cygnet Industries Limited
Notes forming part of financial statements

Note 6: Loans

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
A. Non-current		
Unsecured, considered good		
(a) Loan to joint venture company	-	-
Less: Allowance for credit loss	-	-
(c) Loan to others	-	-
	-	-
B. Current		
(a) Loan to various body corporate*(bearing interest)	-	5,257.81
(b) Loan to employees	-	-
(c) Loan to others	-	-
Interest accrued but not due	-	1,044.42
	-	6,302.23

* Unsecured bearing interest

Type of Borrower		Amount of loan or advance in the nature of loan outstanding		Percentage to the total loans and advances in the nature of loans	
		31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
-Promoters		NA	NA	NA	NA
-Directors		NA	NA	NA	NA
-KMPs		NA	NA	NA	NA
-Related Parties					
(a) Loan to joint venture company (*)					
(b) Loan to subsidiary					
(c) ICD					
Arbela Trading & Services Ltd		-	234.80	-	2.15%

Note 7: Other Financial Asset

Particulars	31st March,2024	31st March,2023
Non-current		
Security Deposits (Unsecured-Considered Good)	14.01	15.17
Deposit with Bank #	1,033.40	1.35
Interest accrued on deposits	32.46	0.17
	1,079.87	**16.69**
Current		
Deposit with Bank /Financial Institutions	-	746.61
Interest accrued on deposits/loan	-	87.53
	-	**834.14**
# Deposit with Bank includes:-		
- Deposits pledged with the govt. authorities	1.49	1.49
- Deposits pledged with WBIDFC for DSRA for secured borrowings (Refer Note 15)	691.06	420.00
- Deposits against which Bank Guarantee has been issued in favour of Government Authorities	343.05	326.47

Note 8: Other assets

Particulars	31st March,2024	31st March,2023
Non-Current		
Capital Advances	18.68	5.28
	18.68	5.28
Current		
Advance recoverable in cash or kind	2,274.57	756.52
Less:- Allowances for doubtful advances	(18.63)	(38.66)
Balances with statutory/Government Authorities	0.01	0.03
Prepaid Expenses	53.60	38.49
Receivable from Gratuity Fund (refer note 29)	209.40	-
Accruals under duty exemption scheme	3.33	-
	2,522.40	756.38

Note 9: Inventories #

Particulars	31st March,2024	31st March,2023
Raw Materials	468.40	1,039.76
Work-in-Progress	797.05	626.87
Finished Goods	1,775.10	1,906.77
Stock-in-trade	0.29	0.01
Stores and Spare Parts	1,786.04	1,564.60
	4,826.88	5,138.01
Included above, goods-in-transit:		
Raw materials	7.09	35.36
Finished goods	16.52	0.83
Stores and spare parts*	81.97	65.29
	105.58	101.48

* The cost of inventories recognised as an expense includes Rs. 0.07 Lakhs (31st March, 2023 - Rs. 0.04 Lakhs) in respect of write-downs of slow moving/non moving and obsolete inventory.

Refer Note no 13 for information on current assets pledged as security by the company

Cygnet Industries Limited
Kolkata

NEHA BOTHRA & COMPANY
KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

Note 10: Trade receivables #

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
Current		
Trade Receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	2,700.12	1,381.47
Less: allowances for expected credit loss	(56.08)	(34.08)
(d) Credit impaired	16.70	7.70
	2,660.74	1,355.09
Allowance for credit losses	(16.70)	(7.70)
	2,644.04	1,347.39

Refer Note no 13 for information on current assets pledged as security by the company

Particulars	31-03-2024						
	Outstanding for following periods from due date of Payments						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables	-	-	-	-	-	-	-
(i) Secured - considered good	-	-	-	-	-	-	-
(ii) Unsecured - considered good	1,884.80	648.42	36.06	5.47	125.37	-	2,700.12
Disputed Trade Receivables	-	-	-	-	-	-	-
(i) Secured - considered good	-	-	-	-	-	-	-
(ii) Unsecured - credit impaired	-	-	-	1.84	14.86	-	16.70
TOTAL	1,884.80	648.42	36.06	7.31	140.23	-	2,716.82
Less: Allowance for Loss							72.78
TOTAL	1,884.80	648.42	36.06	7.31	140.23	-	2,644.04

Particulars	31-03-2023						
	Outstanding for following periods from due date of Payments						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables	-	-	-	-	-	-	-
(i) Secured - considered good	-	-	-	-	-	-	-
(ii) Unsecured - considered good	675.22	566.80	1.24	138.01	0.12	-	1,381.47
Disputed Trade Receivables	-	-	-	-	-	-	-
(i) Secured - considered good	-	-	-	-	-	-	-
(ii) Unsecured - credit impaired	-	-	-	7.52	0.18	-	7.70
TOTAL	675.22	566.80	1.24	145.53	0.30	-	1,389.47
Less: Allowance for Loss							41.78
TOTAL	675.22	566.80	1.24	145.53	0.30	-	1,347.39

Note 11 : Cash and cash equivalents

Particulars	31st March,2024	31st March,2023
Cash and cash equivalents		
Cash in hand	-	0.02
Balances with bank		
On Current accounts #	-	-
On Cash Credit Accounts	68.60	113.33
Deposit with original maturity for less than three months	-	-
	68.60	113.35

Includes Rs 5.00lakhs (Corresponding Previous Year - Rs 5.00Lakhs) available for restricted use. The restrictions pertains to demand from Govt Authorities for levy of interest on outstanding declaration forms

Cygnet Industries Limited
Kolkata

NEHA BOTHRA & COMPANY
KOLKATA
FRNo. 326938E
CHARTERED ACCOUNTANTS

Cygnet Industries Limited
Notes forming part of financial statements

Note 12: Equity share capital and other equity

Note 12 (a): Equity share capital

Authorised equity share capital

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
100,00,00,000 Equity Shares of Rs 10 each (31 March 2023: 1,00,00,00,000 Equity Shares of Rs. 10 each)	1,00,000.00	1,00,000.00
	1,00,000.00	1,00,000.00

Issued, subscribed and paid-up equity share capital

Particulars	31st March,2024	31st March,2023
92,65,36,876 Equity Shares of Rs 10 each fully paid up (31 March 2023: 92,65,36,876 Equity Shares of Rs. 10 each fully paid up)	92,653.69	92,653.69
	92,653.69	92,653.69

Share Holding of Promoters
Share held by promoters at the end of the year

Sl No.	Promoter Name	No. Of shares	% of Total Shares	% of change during the year
1)	Kesoram Industries Limited	92,65,36,876	100%	-
	TOTAL	92,65,36,876	100%	

(i) Movement in equity share capital

Particulars	31st March,2024	31st March,2023
Number of shares outstanding at the beginning of the period	92,65,36,876	92,65,36,876
Add: Shares issued during the period	-	-
Number of shares outstanding at the end of the period	92,65,36,876	92,65,36,876

Terms and rights attached to equity shares
The Company has equity shares having a par value of Rs. 10 per share. All equity shareholders are entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of interim dividend. 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 the proportion to their shareholdings.

(ii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

Name of the shareholders	31st March,2024		31st March,2023
	Number of shares	% holding	Number of shares
Kesoram Industries Limited	92,65,36,876	100%	92,65,36,876
	92,65,36,876	100%	92,65,36,876

Note 12 (b) : Other Equity

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
(i) Retained earnings	(85,800.02)	(79,532.11)
(ii) Fair value through other comprehensive income (FVOCI)- equity instruments	-	-
Total reserves and surplus	(85,800.02)	(79,532.11)

(i) Retained earning

Particulars	31st March,2024	31st March,2023
Opening balance	(79,532.11)	(71,593.50)
Net profit/(loss) for the period	(6,761.03)	(7,861.72)
Particulars		
- Remeasurement of post-employment benefit obligation, net of tax	493.12	(76.89)
Transfer in equity	-	-
Closing balance	(85,800.02)	(79,532.11)

(ii) Fair value through other comprehensive income (FVOCI)- equity instruments

Particulars	31st March,2024	31st March,2023
Opening balance	-	-
Change in fair value of FVOCI equity instruments	-	-
Transfer in equity	-	-
Closing balance	-	-

Nature and purpose of other reserves

(iii) Fair value through other comprehensive income (FVOCI)- equity instruments

The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in FVOCI - equity instruments reserve. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

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(All amounts in Rupees Lakhs, unless otherwise stated)

Note 13: Borrowings (measured at amortised cost)

Particulars	31st March,2024	31st March,2023
Non-Current		
(a) Secured		
Term Loan from banks [Refer note (a) below]	4,147.92	5,530.67
Term Loan from Financial Institutions [Refer note (b) below]	17,420.63	13,526.50
(b) Unsecured		
Term Loan from banks	-	-
Term Loan from Financial Institutions	-	-
	21,568.55	19,057.17
Less: Current maturities of long term borrowings	3,277.75	2,582.75
Add: Interest accrued on long term borrowings	-	-
	18,290.80	16,474.42
Current [Refer note (c) below]		
(a) Secured		
Working Capital Loan from banks		
Overdraft/ Cash credit	-	-
Foreign currency Loan -Buyer's credit	-	-
Term Loan from Banks	-	-
Add: Current maturities of long term borrowings	3,277.75	2,582.75
(b) Unsecured		
Short term Loan from bank	-	-
Borrowings from holding company (Bearing interest)	13,606.57	13,324.70
Borrowings from Body Corporate (Bearing interest)	726.75	1,335.33
	17,611.07	17,242.78
Add: Interest accrued on short term borrowings	4,429.31	3,027.85
	22,040.38	20,270.63

Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the current period

Particulars	31st March,2024	31st March,2023
Cash and cash equivalents	68.60	113.35
Non-current borrowings	(18,290.80)	(16,474.42)
Current borrowings	(22,040.38)	(20,270.63)
Total	**(40,262.58)**	**(36,631.70)**

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2023	113.35	(16,474.42)	(20,270.63)	(36,631.70)
Cash flows	(44.75)	(2,476.92)	490.38	(2,031.29)
Interest expenses	-	(2,157.32)	(1,557.55)	(3,714.87)
Interest paid	-	2,157.32	156.09	2,313.41
Processing charges paid			-	-
Amortisation of processing Charges		(34.46)	(163.67)	(198.13)
Charges in current maturities	-	695.00	(695.00)	-
Net debt as at 31st March,2024	**68.60**	**(18,290.80)**	**(22,040.38)**	**(40,262.58)**

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2022	298.82	(17,827.25)	(17,431.42)	(34,959.85)
Cash flows	(185.47)	785.25	(978.02)	(378.24)
Interest expenses	-	(2,024.01)	(1,958.32)	(3,982.33)
Interest paid	-	2,024.01	530.96	2,554.97
Processing charges paid			300.00	300.00
Amortisation of processing Charges		(29.92)	(136.33)	(166.25)
Changes in current maturities	-	597.50	(597.50)	-
Net debt as at 31st March,2023	**113.35**	**(16,474.42)**	**(20,270.63)**	**(36,631.70)**

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(a) Repayment terms and nature of securities given for indian rupee term loan from Banks

Bank	31-Mar-24	31-Mar-23	Nature of Security	Repayment Terms
Term Loan from Bank:				
Indusind Bank	1,975.42	3,160.67	Second Charge over Current Assets of the Company.	By way of 48 equal instalments payable on the last day of the month after the 12th month of First Availment.

Bank	31-Mar-24	31-Mar-23	Nature of Security	Repayment Terms
Term Loan from Bank:				
Indusind Bank	2,172.50	2,370.00	Second Charge over Current Assets of the Company.	By way of 48 equal instalments payable on the last day of the month after the 24th month of First Availment.

(b) Repayment terms and nature of securities given for indian rupee term loan from Financial institutions

Bank	31-Mar-24	31-Mar-23	Nature of Security	Repayment Terms
Term Loan from Financial Institutions:				
WBIDFC	12,360.96	13,526.50	First and exclusive charge on all Movable and Immovable fixed assets of Cygnet Industries Limited , except the Corporate Office Assets. 2nd pari passu charge on all Current Assets of the Company. For fullfiling the DSRA requirements Fixed Deposit for an amount equivalent to three months interest is to be maintained with WBIDFC.	By way of ballooning repayment commencing from 31.03.2021 for a tenure of 10 years.
WBIDFC - II	5,079.67	-	First and exclusive charge on all Movable and Immovable fixed assets of Cygnet Industries Limited , except the Corporate Office Assets. 2nd pari passu charge on all Current Assets of the Company. For fullfiling the DSRA requirements Fixed Deposit for an amount equivalent to three months interest is to be maintained with WBIDFC.	By way of ballooning repayment commencing from 31.12.2023 for a tenure of 7 years.

(c) Repayment terms and nature of securities given for short term borrowings
1. Loan from holding company is repayable on demand, interest payable @10.5% p.a.
2. Short Term loan from Euston Industries Limited is repayable on demand, interest payable @ 11%

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(All amounts in Rupees Lakhs, unless otherwise stated)

Note 14: Deferred tax liabilities

The balance comprsies temporary differences attributable to:

Particulars	31st March, 2024	31st March, 2023
Deferred tax liabilities		
Timing difference w.r.t Property, plant and equipment	5,285.90	5,210.93
Others	40.49	98.18
Gross deferred tax liability	**5,326.39**	**5,309.11**
Deferred tax assets		
Unabsorbed depreciation	-	-
Capital loss	636.46	636.46
Business losses	4,450.39	4,407.20
Others	239.54	265.45
Gross deferred tax asset	**5,326.39**	**5,309.11**
Net deferred tax liability	-	-

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Note 15: Trade payables

Particulars	31st March,2024	31st March,2023
Current		
(a) Total outstanding dues of micro, small and medium enterprises (Refer Note 41)	327.82	804.50
(b) Total outstanding dues of creditors other than micro, small and medium enterprises		
(i) Acceptances	-	
(ii) Others	3,318.37	4,448.04
Employee's benefits payable	1,395.31	1,923.77
	4,713.68	6,371.76

Particulars	31-03-2024				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	167.62	1.72	0.38	158.10	327.82
(ii) Other Creditors	1,632.05	1,236.75	221.84	227.73	3,318.37
(iii) Provisions	-	-	-		-
(iv) Disputed Dues MSME	-	-	-		-
(v) Disputed Dues - Others	-	-	-	-	-
(vii) Employee's benefits payable	69.08	316.18	974.73	35.32	1,395.31
TOTAL	1,868.75	1,554.65	1,196.95	421.15	5,041.50

Particulars	31-03-2023				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	127.81	371.61	302.95	2.13	804.50
(ii) Other Creditors	3,626.79	449.28	199.67	172.30	4,448.04
(iii) Provisions					
(iv) Disputed Dues MSME					
(v) Disputed Dues - Others					
(vii) Employee's benefits payable	4.64	1,751.75	46.04	121.28	1,923.77
TOTAL	3,759.24	2,572.64	548.66	295.72	7,176.26

Note 16: Other financial liabilities

Particulars	31st March,2024	31st March,2023
Current		
Retention & Earnest deposits	83.84	74.24
Other Payables	2,370.83	2,726.02
	2,454.67	2,800.26

Other Payables includes amount of Rs 114.22 lakhs (FY 22-23: Rs 203.18 lakhs) payable to MSME Vendors on account of interest

Note 16A: Lease liabilities

Particulars	31st March,2024	31st March,2023
Non- Current		
Lease Liabilities	66.13	24.14
	66.13	24.14
Current		
Lease Liabilities	62.71	22.65
	62.71	22.65

Note 17: Other liabilities

Particulars	31st March,2024	31st March,2023
Current		
Advance from customers	500.22	395.91
Statutory dues	192.19	110.31
Others		
	692.41	506.22

There are no amount due and outstanding to be credited to Investor Education and Protection Fund as at Balance Sheet Date

Note 18: Provision

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
Non current		
Provision for Employee Benefits		
Provision for gratuity	-	-
Provision for leave encashment (unfunded)	363.52	348.35
Total Non-Current provisions	**363.52**	**348.35**
Current		
Provision for Employee Benefits		
Provision for gratuity	-	142.30
Provision for leave encashment (unfunded)	51.64	22.73
Total current provisions	**51.64**	**165.03**

Refer to note 28 for disclosure on employee benefits.

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Note 19: Revenue from operations

Particulars	31st March,2024	31st March,2023
Revenue from contracts with customers #		
Sale of products	24,632.36	24,427.83
Other operating revenues	8.05	2.21
	24,640.41	24,430.04

 # The entire revenue is being recorded at a point in time.

The Company has recognised the following revenue-related contract liabilities

Particulars	31st March,2024	31st March,2023
Contract liabilities - Advance from customers	500.22	395.91
Total contract liabilities	500.22	395.91

The Change in Contract Liabilities are as follows

Particulars	31st March,2024	31st March,2023
Contract Liabilities Opening	395.91	1,493.72
Add:- Addition during the year, excluding amount recognised as revenue during the year	491.38	1,692.66
Less:- Revenue recognised in the current year which was included in contract liabilities	387.07	2,790.47
Contract Liabilities Closing	500.22	395.91

Note 20: Other Income

Particulars	31st March,2024	31st March,2023
(a) Liabilities no longer required written back (net)*	595.95	497.99
(b) Interest income	-	-
- on financial instruments at amortised cost	64.17	48.17
- on others **	1,440.70	852.58
(c) Miscellaneous income	152.11	233.73
(d) Gain on investments carried at fair value through profit or loss	-	-
(e) Profit on sale of Investments(net)	-	-
	2,252.93	1,632.47

* Refer note 31 for liability written back on account of interest waiver by MSME Vendors.

**Interest income on others includes one time additional interest income received from Euston Industires Ltd. amounting to Rs. 1268.08 lakhs.

Note 21: Cost of material consumed

Particulars	31st March,2024	31st March,2023
Opening inventory	1,039.76	1,071.22
Add: Purchases	9,864.43	11,233.68
Less: Closing Stock	468.40	1,039.76
	10,435.79	11,265.14

Purchase of stock-in-trade comprise :

Particulars	Base Unit	Quantity		Amount (Rs.)	
		31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Rayon Yarn	KG	-	-	-	-
CTC Tea	KG	300	100	1.14	0.86
				1.14	0.86

Cost of material consumed of Traded Goods

Particulars	31st March,2024	31st March,2023
Opening inventory	0.01	0.01
Add: Purchases	1.14	0.86
Less: Closing Stock	0.29	0.01
	0.86	0.86

Note 22: Changes in inventories of finished goods, work in progress and Stock in Trade

Particulars	31st March,2024	31st March,2023
Opening Stock		
- Work - in - Process	626.87	596.15
- Finished Goods	1,906.77	423.71
- Stock-in-trade	0.01	0.01
Less: Closing Stock		
- Work - in - Process	797.05	626.87
- Finished Goods	1,775.10	1,906.77
- Stock-in-trade	0.30	0.01
	(38.80)	(1,513.78)

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Note 23: Employee benefit expenses

Particulars	31st March,2024	31st March,2023
Salaries, Wages, Bonus etc.	5,379.08	5,127.08
Contribution to Provident Fund	813.53	527.42
Contribution to Labour Welfare Fund	-	-
Contribution to Gratuity Fund (Refer detail below)	141.37	65.41
Contribution under Employees State Insurance Scheme	12.57	19.70
Workmen and Staff Welfare	294.56	269.23
	6,641.11	6,008.84

During the year, the Company recognised an amount of Rs. Nil (2022-2023: Rs. Nil) as remuneration to key managerial personnel.

(i) Compensated absences

Compensated absences cover the Company's liability for sick and earned leave. As the Company does not have an unconditional right to defer the payment beyond 12 months the entire amount has been treated as current.

(ii) Defined benefit plan

a) Gratuity

The Company operates a gratuity plan through the "KICM Gratuity Fund". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

b) Provident fund

Provident fund for certain eligible employees is managed by the Company through the "B. K. Birla Group of Companies Provident Fund Institution" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at 31st March, 2024 and 31 March, 2023 respectively.

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
as at 31st March, 2024	18,279.96	19,564.49	1,284.54
as at 31st March, 2023	17,396.94	20,564.96	3,168.01

The plan assets have been primarily invested in government securities.
Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31st March,2024	31st March,2023
Discount Rate (per annum)	8.15%	8.15%
Expected Rate of Return on Plan Assets (per annum)	8.15%	8.15%

The Company contributed Rs. 813.53 Lakhs and Rs. 527.42 Lakhs during the year ended 31st March, 2024 and 31st March, 2023 respectively.

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(iii) Balance sheet recognition

a) Gratuity (All amounts in Rupees Lakhs, unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2023	2,495.07	2,352.78	142.30
Current service cost	131.41	-	131.41
Interest expense/(income)	174.66	164.70	9.96
Total amount recognised in profit or loss	**306.07**	**(164.70)**	**141.37**
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	585.88	(585.88)
Actuarial (gain)/loss from change in financial assumptions	58.94	-	58.94
Actuarial (gain)/loss from unexpected experience	33.82	-	33.82
Total amount recognised in other comprehensive income	**92.76**	**585.88**	**(493.12)**
Employer contributions/ premium paid	-	-	-
Benefit payments	-	-	-
31st March, 2024	**2,893.90**	**3,103.36**	**(209.46)**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2022	3,905.19	3,918.78	(13.58)
Current service cost	126.74	-	126.74
Interest expense/(income)	224.74	286.07	(61.33)
Total amount recognised in profit or loss	**351.48**	**(286.07)**	**65.41**
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(185.42)	185.42
Actuarial (gain)/loss from change in financial assumptions	(58.96)	-	(58.96)
Actuarial (gain)/loss from unexpected experience	(49.57)	-	(49.57)
Total amount recognised in other comprehensive income	**(108.53)**	**(185.42)**	**76.89**
Employer contributions/ premium paid	-	(13.58)	13.58
Benefit payments	1,653.07	1,653.07	-
31st March, 2023	**2,495.07**	**2,352.78**	**142.30**

(iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31st March, 2024	31st March,2023
Discount rate	7.00%	7.30%
Salary growth rate	5.00%	5.00%
Attrition rate	10 per thousand	10 per thousand
Mortality rate	IIAM (2012-2015) ULTIMATE	IALM (2012-2014) ULTIMATE

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(v) Sensitivity analysis **(All amounts in Rupees Lakhs, unless otherwise stated)**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31st March,2024		31st March,2023	
	Increase	Decrease	Increase	Decrease
Discount rate (-/+ 0.5%)	2,790.50	3,002.47	2,399.79	2,595.40
% change compared to base due to sensitivity	-3.57%	3.75%	-3.82%	4.02%
Salary growth rate (-/+ 0.5%)	3,003.66	2,788.47	2,596.62	2,397.82
% change compared to base due to sensitivity	3.79%	-3.64%	4.07%	-3.90%
Attrition rate (-/+ 0.5%)	2,894.13	2,893.66	2,495.35	2,494.80
% change compared to base due to sensitivity	0.01%	-0.01%	0.01%	-0.01%
Life expectancy/ mortality rate (-/+ 10%)	2,894.33	2,893.46	2,496.00	2,494.15
% change compared to base due to sensitivity	0.02%	-0.02%	0.04%	-0.04%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vi) The major categories of plans assets

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed.

(vii) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.
The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(viii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March, 2024 is Rs. NIL.
The weighted average duration of the defined benefit obligation is 9 years (31 March 2023 – 10 years).

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Notes forming part of financial statements

Note 24: Depreciation and amortisation expense

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
Depreciation on tangible assets	2,048.59	1,990.77
Depreciation on Right-of-use assets	62.77	45.98
Amortisation of intangible assets	49.83	59.79
	2,161.19	2,096.54

Note 25: Finance costs

(All amounts in INR , unless otherwise stated)

Particulars	31st March,2024	31st March,2023
Interest expense	4,062.26	4,208.63
Interest On Lease	13.92	5.37
Exchange differences regarded as an adjustment to borrowing costs	-	-
	4,076.18	4,214.00
Less: Interest capitalised	1.45	60.05
	4,074.72	4,153.95

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the interest rate applicable to the entity's general borrowing used for capex , in this case it is 12%, (31st March, 2023: 10.50%)

Note 26: Other expenses

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
Consumption of Stores and Spare Parts	2,035.29	1,757.85
Rent	9.79	37.45
Repairs and Maintenance [Refer note (a) below]		
Building	43.71	54.76
Plant and Machinery	762.30	712.11
Others	78.58	67.44
Insurance	54.59	66.74
Rates and Taxes	42.69	22.93
Brokerage	4.08	1.98
Packing, Carriage and Shipping	300.27	253.38
Director's Fees	5.50	4.50
Commission to Selling Agents	64.44	59.54
Sales Promotion	12.23	4.47
Management Services Fee	239.25	182.19
Foreign currency translation loss (net)	32.70	7.76
Debts/ Advances/ Deposits written off	10.52	-
Loss on sale of property, plant and equipment sold/discarded (net)	0.06	0.01
Provision for doubtful debts/advances (net)	49.63	67.85
Payment to auditor [Refer note (b) below]	26.62	24.20
Guarantee Commission	0.44	2.50
Miscellaneous Expenses [Refer note (c) below]	452.62	498.86
	4,225.31	3,826.52

(a) Repair and Maintenance includes:		
Salaries and wages	544.03	494.69
(b) Details of auditors' remuneration and out-of-pocket expenses are as below:		
As Auditors :		
Audit Fees (Including other certification fees)	24.20	21.78
Tax Audit Fees	2.42	2.42
(c) Miscellaneous expenses include the following:		
Payment to cost auditor	3.19	3.19

Note 26 A: Power and fuel

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	31st March,2024	31st March,2023
Power and Fuel		
(i) Power and Fuel includes consumption of stores and spares (coal)	4,406.16	7,153.51
(ii) Power and Fuel others	1,747.75	932.65
	6,153.91	8,086.16

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Note 27: Income tax expense

(All amounts in Rupees Lakhs, unless otherwise stated)

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	31st March, 2024	31st March, 2023
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Total current tax expense	-	-
	-	-
Deferred tax		
Decrease (increase) in deferred tax assets	(17.27)	(65.55)
(Decrease) increase in deferred tax liabilities	17.27	65.55
Total deferred tax expense/(benefit)	-	-
Income tax expense	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	31st March, 2024	31st March, 2023
Profit before tax	(6,761.03)	(7,861.72)
	-	-
Tax at the rate of 29.12% (FY 2022-23 – 29.12%)	(1,968.81)	(2,289.33)
Reason for differences to be documented below		
Tax losses for which no deferred tax was recognised	1,669.59	2,208.62
Tax on permanent differences	9.26	61.64
Exempt Income	-	-
Others (including difference in tax rate)	289.96	19.07
Total income tax expense/(credit)	-	-

(c) Tax losses

Particulars	31st March, 2024	31st March, 2023
Unused tax losses for which no deferred tax has been recognised:		
Tax losses		
Business loss	46,492.69	42,719.19
Capital loss: Short term	11,795.10	11,795.10
Unabsorbed tax depreciation	27,723.29	25,763.30
Potential tax benefit @ 29.12% on Business loss (FY 2022-23 @29.12%)	**21,611.69**	**19,942.10**
Potential tax benefit @ 17.472% on Capital loss short term (FY 2022-23 @17.472%)	**2,060.84**	**2,060.84**

(a) Unabsorbed depreciation does not have any expiry period.
(b) Business losses have an expiry ranging from 3 to 8 years as at the reporting date.

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Note 28: Earnings per shares

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars		31st March,2024	31st March,2023
(i) Basic			
Number of equity shares at the beginning of the year		92,65,36,876	92,65,36,876
Number of equity shares at the end of the year		92,65,36,876	92,65,36,876
Weighted average number of equity shares outstanding during the year	(A)	92,65,36,876	92,65,36,876
Nominal value of each equity Share (Rs.)		10.00	10.00
Profit / (Loss) for the year (Rs. in lakhs)	(B)	(6,761.03)	(7,861.72)
Earnings per share (Basic) (Rs.)	(B/A)	(0.73)	(0.85)
(ii) Diluted			
Weighted average number of equity shares outstanding during the year		92,65,36,876	92,65,36,876
Earnings per share (Diluted) (Rs.)		(0.73)	(0.85)

Note 29: Contingent liabilities

Particulars	31st March,2024	31st March,2023
(a) Guarantees given -		
(i) to excise authorities	5.50	5.50
(b) Claims against the Company not acknowledged as debts		
(i) Rates, Taxes, Duties etc. demanded by various Authorities	159.54	159.54
(ii) Others	1.50	1.50
(c) Income Tax matters	-	-
	166.54	166.54

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

Note 30: Capital and other commitments

Particulars	31st March,2024	31st March,2023
(a) Capital Commitments		
Estimated value of contracts in capital account remaining to be executed [net of advances Rs. 18,68,433 (31st March, 2023: Rs. 5,27,600)]	17.34	13.11
	17.34	13.11

Note 31: The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: remaining unpaid as at year end

Particulars	31st March,2024	31st March,2023
Principal amount due to supplier registered underr the MSMED Act and remaining unpaid as at the year end	327.82	804.50
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	114.22	293.18
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	605.00	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year*	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

** During the current financial year, the Company has made payment to various MSME Vendors on account of final settlement. On such settlement some of the vendors have waived off interest liability. Accordingly, the company has reversed liability on account of such interest waiver amounting to Rs 210.70 Lakhs during the financial year.*

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Note 32: Capital management

(All amounts in Rupees Lakhs, unless otherwise stated)

Risk management

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital and accumulated reserves disclosed in the Statement of Changes in Equity.

The Company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

Note 33 : Fair value measurements

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.
The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 to the financial statements.

Financial instruments by category

Particulars	31st March,2024			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets				-	-
Cash and cash equivalents	-	-	68.60	68.60	68.60
Trade receivables	-	-	2,644.04	2,644.04	2,644.04
Loans	-	-	-	-	-
Other financial assets	-	-	1,079.87	1,079.87	1,079.87
Total financial assets	-	-	**3,792.51**	**3,792.51**	**3,792.51**
Financial liabilities					
Borrowings	-	-	40,331.18	40,331.18	40,331.18
Trade and other payables	-	-	5,041.50	5,041.50	5,041.50
Lease Liability	-	-	128.84	128.84	128.84
Other financial liabilities	-	-	2,454.68	2,454.68	2,454.68
Total financial liabilities	-	-	**47,956.20**	**47,956.20**	**47,956.20**

Financial instruments by category

Particulars	31st March,2023			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets				-	-
Cash and cash equivalents	-	-	113.35	113.35	113.35
Trade receivables	-	-	1,347.39	1,347.39	1,347.39
Loans	-	-	6,302.23	6,302.23	6,302.23
Other financial assets	-	-	850.84	850.84	850.84
Total financial assets	-	-	**8,613.81**	**8,613.81**	**8,613.81**
Financial liabilities					
Borrowings	-	-	36,745.05	36,745.05	36,745.05
Trade and other payables	-	-	7,176.27	7,176.27	7,176.27
Lease Liability	-	-	46.79	46.79	46.79
Other financial liabilities	-	-	2,800.26	2,800.26	2,800.26
Total financial liabilities	-	-	**46,768.37**	**46,768.37**	**46,768.37**

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Note 34: Financial risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(A) Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Financial assets that potentially expose the Company to credit risks are listed below:

	31-Mar-24	31-Mar-23
Trade receivables	2,644.04	1,347.39
Other financial assets	1,079.87	850.84
Total	3,723.91	2,198.23

Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

i) Trade and other receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receiavbles are backed by security deposits. Export receivables are backed by letters of credit.

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The Company's exposure to customers is diversified and there is no significant credit exposure on account of any single customer as at 31st March, 2024 & 31st March, 2023

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	2023-24	2022-23
Opening balance	41.78	5.99
Charge in statement of profit and loss	49.63	35.79
Release to statement of profit and loss	-	-
Utilised during the year	-	-
Balance at the end of the year	91.41	41.78

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(ii) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1):
This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Valuation techniques with observable inputs (Level 2):
This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3):
This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	31st March, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments	-	-	-	-
	-	-	-	-

Particulars	31st March, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments	-	-	-	-
	-	-	-	-

(iii) Valuation technique used to determine fair value
(a) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available the management has involved valuation experts to determine the fair value of the investments. Different valuation techniques have been used by the valuers for different investments. Equity Instruments carried at fair value through other comprehensive income. These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. The Company has chosen to designate this investments in equity instruments at FVOCI since, it provides a more meaningful presentation.

(b) Fair value of borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(c) The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values.

(d) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

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(B) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from othersources. The Company invests its surplus funds in bank fixed deposit and in equity shares, which carry no or low market risk.

(i) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

• all financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31st March,2024	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	22,040.38	6,355.17	5,735.00	6,339.67	40,470.22
Lease Liability	73.35	70.17	-	-	143.52
Trade payables	5,041.50	-	-	-	5,041.50
Other financial liabilities	2,454.68	-	-	-	2,454.68
Total financial liabilities	29,609.91	6,425.34	5,735.00	6,339.67	48,109.92

Contractual maturities of financial liabilities 31st March,2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	20,270.64	5,960.42	4,187.50	6,500.00	36,918.56
Lease Liability	26.46	26.19	-	-	52.65
Trade payables	7,176.27	-	-	-	7,176.27
Other financial liabilities	2,800.26	-	-	-	2,800.26
Total financial liabilities	30,273.63	5,986.61	4,187.50	6,500.00	46,947.74

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(C) Market risk

(i) Foreign currency risk

The Company deals with foreign currency loan, trade payables etc and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

Foreign currency risk exposure

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), are as follows:-

As at 31st March,2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	USD		EUR	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets				
Trade receivables	1.20	100.08	-	-
Derivative Asset	-	-	-	-
Advance receivable in cash or kind	-	-	-	-
Financial liabilities				
Trade payables	-	-	-	-
Borrowings	-	-	-	-
Derivative liability	-	-	-	-
Net exposure to foreign currency risk	**1.20**	**100.08**	-	-

As at 31st March,2023

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	USD		EUR	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets				
Trade receivables	-	-	-	-
Derivative Asset	-	-	-	-
Advance receivable in cash or kind	-	-	-	-
Financial liabilities				
Trade payables	-	-	-	-
Borrowings	-	-	-	-
Derivative liability	-	-	-	-
Net exposure to foreign currency risk	-	-	-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(All amounts in Rupees Lakhs, unless otherwise stated)

	Impact on loss before tax/equity	
	31st March,2024	31st March,2023
USD sensitivity		
INR/USD appreciates by 5% (31st March, 2023 - 5%)	(0.06)	-
INR/USD depreciates by 5% (31st March, 2023 - 5%)	0.06	-
EUR sensitivity		
INR/EUR appreciates by 5% (31st March, 2023 - 5%)	-	-
INR/EUR depreciates by 5% (31st March, 2023 - 5%)	-	-

* Holding all other variables constant

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(ii) Interest rate risk

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

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31st March, 2024 and 31st March, 2023, the Company's borrowings at variable rate were mainly denominated in INR.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

On Financial Liabilities:
The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	31-Mar-24	31-Mar-23
Variable rate borrowings	35,901.87	32,381.86
Fixed rate borrowings	-	1,335.33
Total borrowings	35,901.87	33,717.19

(b) Sensitivity
Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

	Impact on loss before tax/equity	
	31-Mar-24	31-Mar-23
Interest expense rates – increase by 50 basis points (50 bps)*	(179.51)	(161.91)
Interest expense rates – decrease by 50 basis points (50 bps)*	179.51	161.91

* Holding all other variables constant

(iii) Price risk

(a) Exposure
The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. In general, these investments are not held for trading purposes.

(b) Sensitivity
The table below summarizes the impact of increases/decreases of the share prices on the Company's equity.

	Impact on equity	
	31-Mar-24	31-Mar-23
Share price - Increase 5%	-	-
Share price - Decrease 5%	-	-

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Note 35: Segment reporting

(All amounts in Rupees Lakhs, unless otherwise stated)

The Company's Chief operating decision makers viz. board of directors examine the Company's performance as a single segment, viz. "Rayon, Transparent paper and Chemicals business".

a. Geographical information
Revenue from external customers:

Particulars	31st March,2024	31st March,2023
	Total Segment Revenue	Total Segment Revenue
Rayon,Transparent paper and Chemicals business		
India	24,284.98	24,300.89
Other countries	347.38	126.94
Total Segment revenue	**24,632.36**	**24,427.83**

b. Two of the customers of the entity accounts for approximately 17% and 9% of the sales being made for the year ended 31st March, 2024 (Two of the customers of the entity accounts for approximately 24% and 13% of the sales being made for the year ended 31st March, 2023)

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Note 36 : Related Party Transactions

List of Related Parties and relationship *
A) Holding
Kesoram Industries Limited
B) Post Retirement Benefit Plan
B.K. Birla Group of Companies Provident Fund Institution.
Birla Industries Provident Fund Institution.
KICM Gratuity Fund
C) Others (With whom transaction has taken place)
MSK Travels and Tours Ltd
Arbda Trading & Services Ltd
Kashi Prasad Khandelwal

(A) Amount of Transactions

Nature of Transaction/ Relationship	2023-24	2022-23
Rent Expense:		
Holding	13.56	13.56
Management Service Fee Expense:		
Holding	239.25	182.10
Interest Expense:		
Holding	1,399.71	1,430.94
Other expenses through reimbursements		
Holding	0.29	10.00
Purchase		
Holding	-	-
Payment Against Purchase		
Holding	-	-
Loan Taken		
Holding	-	-
Loan Repayment		
Holding	-	760.00
Others	110.57	-
Tours & Travels Services		
Others	15.90	4.11
Provident Fund Contribution		
Post Retirement Benefit Plan	1,423.49	1,070.72
Gratuity Contribution to KICM		
Post Retirement Benefit Plan	-	-13.58
Reimbursement claimed		
Post Retirement Benefit Plan	-	1,653.07
Interest Received (net of TDS)		
Others	6.80	-
Interest income		
Others	6.94	12.16
Director Sitting Fees		
Others	5.50	4.50

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(B) Outstanding balances

(All amounts in Rupees Lakhs, unless otherwise stated)

Nature of Transaction/ Relationship	Year Ended as at 31st March ,2024	Year Ended as at 31st March ,2023
Payable :		
Post Retirement Benefit Plan	129.67	237.19
Payable-Loan :		
Holding	13,606.57	13,324.70
Payable-Interest (Net of TDS)		
Holding	4,424.06	3,027.85
Share Capital		
Holding	92,653.69	92,653.69
Payable :		
Tours & Travels services	24.72	35.16
Receivable-Loan		
Others	-	110.57
Receivable-Interest (Net of TDS)		
Others	-	24.23

* as certified by the management of the company

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Note no. 37: IND AS 116, Lease Impact

The estimated impact of Ind AS 116 on the Company's financial statements as at 31st March, 2024 is as follows:-

Balance Sheet: The Company has adopted Ind AS 116 'Leases' effective 1st April 2019 and applied the Standard to its leases. This has resulted in recognising a Right-of-use assets of Rs. 112.03 Lakhs and a corresponding lease liability of Rs 112.03 Lakhs as at 1st April 2019. This has also resulted in re-grouping of Leasehold Land of Rs 220.37 Lakhs under erstwhile lease standard to 'Right-of-use assets' as at 1st April 2019.

(All amounts in Rupees Lakhs, unless otherwise stated)

1. Changes in the carrying value of right of use assets for the year ended 31st March, 2024

Particulars	Category Of RoU Asset	
	Land	Building
	Amount	Amount
Balance as at 01-04-2023	200.96	44.56
Additions during the year	-	136.55
Deletion during the year	-	-
Depreciation	4.85	57.92
Balance as at 31-03-2024	196.11	123.19

2. The following is the break-up of current and non-current lease liabilities as at 31st Mar, 2024

Particulars	Amount
Current Lease Liability	62.71
Non Current Lease Liability	66.13

3. The following is the movement in lease liabilities during the year ended 31st Mar, 2024:

Particulars	Amount
Balance as at 01-04-2023	46.79
Additions during the year	136.55
Finance cost accrued during the period	13.92
Deletions	-
Payment of lease liabilities	68.43
Balance as at 31-03-2024	128.83

4. Expense pertaining to leases which has been identified as Short Term. 9.79

5. Expense pertaining to leases which has been identified as Low Value. NIL

6. Contractual maturities of lease liabilities as at 31st March, 2024 on an undiscounted basis.

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2024 on an undiscounted basis:

Particulars	Amount
Less than one year	73.35
One to three years	70.17
Three to five Years	-
More than five years	-

7. Total amount of Variable Lease Payment. 68.43

8. Nature of lessee's leasing activities. Warehouse/Office Lease

9. Any future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities. NO

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Note 38:- Key Ratios

Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% Variance-R	Reason for Variance
(a) Current Ratio (times)	Current Assets	Current Liabilities	0.33	0.47	-29.10%	Short term ICD recovered fully and funds utilised in operations.
(b) Debt-Equity Ratio (times)	Total Debt (Total Borowings + Total Lease Liability)	Shareholder's Equity	5.90	2.80	110.54%	Shareholder's Equity reduced due to accumulated losses.
(c) Debt Service Coverage Ratio (times)	Earning Available for Debt Service	Gross Interest + Long-term Principal Repayment+Lease payments	-0.08	-0.26	-70.36%	Operational performance improved. However the debt service payment compared to last year has also increased.
(d) Return on Equity Ratio (%)	Net Income	Average Shareholder's Equity	-67.69	-46.00	47.16%	Average Shareholder's Equity reduced due to losses in current financial year.
(e) Inventory Turnover Ratio (times)	Sale of Products	Average Stock	4.94	5.41	-8.56%	NA
(f) Trade Receivables Turnover Ratio (times)	Sale of Products	Average Trade Receivables	12.34	28.69	-56.99%	To addressing challenging market conditions, debtors has increased due to extended credit period.
(g) Trade Payables Turnover Ratio (times)	Cost of Goods Sold	Average Trade Payables	2.71	2.73	-0.78%	NA
(h) Net Capital Turnover Ratio (times)	Sale of Products	Working Capital	-1.21	-1.48	-18.11%	NA
(i) Net Profit Ratio (%)	Net Income	Sale of Products	-27.45	-32.18	-14.71%	NA
(j) Return on Capital Employed (%)	EBIT	Total Assets-Current Liabilities	-10.50	-12.37	-15.10%	NA

Note:-

a) Explanation has been furnished for change in ratio by more than 25% as compared to the the preceeding year as stipulated in Schedule III to the ACT.

b) Ratio for Return on Investment not covered since Investment value is NIL.

Cygnet Industries Limited Kolkata

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

Cygnet Industries Limited
Notes forming part of financial statements

Note 39:- Disclosure regarding amendments in Schedule III

a)	The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
b)	The Company do not have any transactions with companies struck off
c)	The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
d)	The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
e)	The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
f)	The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
g)	The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
h)	The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Note 40:- Code on Social Security, 2020.

The Central Government has published The Code on Social Security, 2020 and Industrial Relations Code, 2020 ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post employment. The effective date of the code and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.

Note 41:- Previous years figure has been re-grouped/re-arranged where ever necessary to make it comparable with current years figure.

For Neha Bothra & Co.
Firm Registration Number: 326938E
Chartered Accountants

N. Bothra

Neha Bothra
Partner
Membership No.: 067036

Place: Kolkata
Date : 08.04.2024

NEHA BOTHRA & COMPANY KOLKATA FRNo. 326938E CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors of Cygnet Industries Limited

Kashi Prasad Khandelwal
Director
DIN: 0748523

Sarat Priya Patjoshi
Director
DIN: 06620290

Deepak Kumar Sharma
Deepak Kumar Sharma
Director
DIN: 02555564

S. Nath
Sharmila Nath
Director
DIN: 07041921

Vineet Rai
Chief Executive Officer

Raj Kumar Burman
Chief Financial Officer

Ankita Agarwal
Company Secretary

Cygnet Industries Limited Kolkata